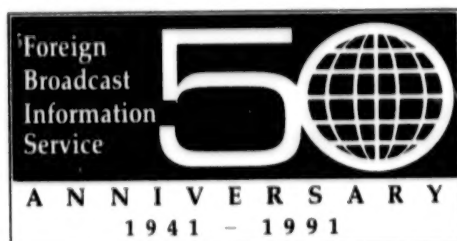


JPRS-EER-91-029  
8 MARCH 1991



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# ***JPRS Report***

# **East Europe**

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JPRS-EER-91-029

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## BULGARIA

### Social Democratic View on Agrarian Reform

91BA0276A Sofia SVOBODEN NAROD in Bulgarian  
1 Feb 91 pp 1-2

[Statement by the BSDP [Bulgarian Social Democratic Party] in the 7th Grand National Assembly: "Freedom in Agriculture Is a Condition for the Freedom of the People"]

[Text]

#### Position of the BSDP [Bulgarian Social Democratic Party] Parliamentary Group on the Agrarian Reform in Bulgaria

The most profound reason for the severe economic crisis in which Bulgaria found itself lies in the dislocation of agriculture and the decline of the countryside, which are direct consequences of the BCP/BSP [Bulgarian Communist Party/Bulgarian Socialist Party] policies of the last decades.

The coerced collectivization of private farmers, the elimination of the free rural cooperatives, the fierce exploitation of the farmers' labor, the redirecting of resources from agriculture to the cities for the superindustrialization of the country, and the use of antiecological technologies in farming and animal husbandry deprived the Bulgarian peasants of their freedom and a natural desire to work, devastated the Bulgarian land, and depopulated the Bulgarian villages. Matters went so far that, in peacetime and without any natural disasters, our industrious people, who have inhabited for centuries a land famous for its fertility, are threatened with death by hunger.

The BSDP Executive Council and its parliamentary group in the 7th Grand National Assembly believe that it is high time to implement rapidly and decisively agrarian reform in our country. This reform, which is aimed at the restoration of private ownership in agriculture, is the only means of ensuring the active and constructive freedom of the farmer and the untying of his hands so that he may engage in useful toil.

During these difficult days for Bulgaria, we express our concern caused by the delay in implementing agrarian reform. Through the fault of the BCP/BSP, for more than one year the resolution of the problem of returning the land to its legitimate owners, the Bulgarian farmers, has made no progress. At the start of 1990, Andrey Lukanov's government made an attempt at privatizing agriculture production to the advantage of the agricultural *nomenklatura*. This effort was partially blocked by the Grand National Assembly with a moratorium on deals involving farmland. By the will of the BCP/BSP majority in the Parliamentary Commission on Agriculture and Agrarian Policy, a halfway contradictory draft law on the ownership and the utilization of farmland was imposed and submitted for consideration by the Grand

National Assembly. Its covert purpose is to preserve and perpetuate the rule of the rural *nomenklatura* and to preserve its domination over the peasants and its own wealth.

The objective of the BCP/BSP is to protect the TKZS [labor cooperative farm] from a breakdown—as much as this is possible—in order to create conditions for the rural managers to set up their own private companies and farms by grabbing the best land, equipment, and cattle. That is the reason that debates on the draft law on ownership and the utilization of farmland are dragging on in the Grand National Assembly. It is hoped that, while the passage of the law is being delayed, winter will be over and the spring campaign will postpone by one more year the privatization of agriculture and its most important part, restoring the right of private ownership over the land. That is the reason for the dissemination of rumors to the effect that the opposition would like to force a return of the land to the farmers who, lacking cattle and equipment, would be unable to cultivate it and ensure their livelihood. It is hoped that, by turning the peasants against the restoration of private ownership, agrarian reform will be delayed and blocked and thus deprive them of economic independence and the freedom to handle by themselves the results of their toil. That is why it is being insinuated to the peasants that the opposition would like to restore the property of the rural rich and turn them into farmhands. It is hoped that, by maintaining the fear of change among the farmers, they will be forced, once again, to vote for the BCP/BSP in the next municipal and parliamentary elections and thus perpetuate their slavery and, with it, communism.

These circumstances force us to express clearly, definitely, and in front of the entire public our stand concerning agrarian reform in Bulgaria.

**First.** Bulgaria needs not merely a halfway Law on the Ownership and Utilization of Farmland but a new complete agrarian reform law, which would eliminate totalitarianism in the countryside and restore the freedom of the farmer along with his right to private ownership of the land, agricultural equipment and tools, buildings, cattle, and all other things necessary for normal farming. The law should also apply to the land around the settlements, classified by the *nomenklatura* as "neglected," and plundered away from agriculture, as well as the land that was expropriated and given to the state and other organizations.

**Second.** The right to private ownership of the land and other means and prerequisites for farming should be restored to all former owners or their legal heirs in the amounts owned by them before joining the TKZS, in their real boundaries. Ownership must be restored for land of the same or equivalent category, taking into consideration the extent of the ecological damage, such as the worsened quality of the soil, water sources, and so forth. Those who work or would like to work in the



countryside and who have not owned land must be given land from the state and municipally owned land under advantageous conditions.

Also to be restored is ownership of the land owned by public organizations, such as rural cooperatives, libraries, and so forth, provided that they exist or intend to resume their activities.

**Third.** No artificial restrictions must be imposed on the right to private ownership in the countryside. The farmer must be a full private owner, with the ensured possibility of freely managing his entire property within the limits of the law. Only then will he have an economic interest in producing goods for the market and, thereby, satisfying his own needs. In our case, no other way leading to a market economy exists.

Foreign countries or foreign physical and juridical persons and individuals with dual citizenship should not have the right to own farmland in Bulgaria. Bulgarian citizens who reside permanently abroad may own and acquire farmland only if they inherit it. The law should settle the time and ways of liquidating land ownership that has been restored to foreign physical and juridical persons as well as the conditions under which they could use farmland for economic activities.

**Fourth.** The farmer must have the right to make a personal choice concerning the organization of his production activities: through private farming (farm ownership), free association (agricultural cooperative), or leasing out the land. The law should settle the conditions under which hired labor may be applied in the countryside. No legal limitations whatsoever should be imposed on the size of the owned land in order not to obstruct modern farming. The law should deal exclusively with economic incentives that will make the farmers use the land for its specific purpose, by establishing a higher land tax or selling to others land whose owners have not farmed it for more than three years.

**Fifth.** Particularly important now is the method that will be used to dismantle the TKZS and privatize agriculture. The property of the TKZS is the property of the former and present cooperative members and their heirs. If such property has been given entirely or partially to state, municipal, or other organizations, it should be returned to its owners. Should this prove impossible, they should be given the right to a share of ownership in enterprises and organizations that hold this property. The farmers themselves should determine the following:

- Their share in holdings in TKZS property, on the basis of the land they have contributed, the amount of inventory and other contributions they failed to make, and their labor participation.
- The future of the TKZS: whether it will be dismantled and everyone will take his share of property in kind or cash, or else retained and reorganized into a free farming cooperative as an association of free private owners.

- Participation in privatization by those who have not contributed land to the TKZS but have invested their labor in its founding and development.
- The way of destatification of buildings, equipment, operational facilities, and other fixed TKZS capital.

The law should stipulate fast, reliable, and equitable procedures for the privatization of farming, ranging from the way of defining the structure and procedure for the work of the land commissions under conditions of total openness and glasnost to the issuing of ownership certificates. The entire procedure should be free of charge.

**Sixth.** The state must provide guaranteed initial prerequisites for the privatization of agriculture, as follows:

- Postponing land taxes for several years or else requiring the payment of only a minimal tax.
- Providing interest-free or low-interest loans with delayed repayment.
- Opening farm exchanges and markets and supplying farmers with equipment, preparations, seeds, and so on, domestically produced or imported, under easy conditions.
- Organizing courses to train people in modern farming and agricultural economics.

Society must help the farmer to stand on his own two feet if it wants to be fed by him.

As farming becomes more prosperous and, with a view to its rapid future development, the state should organize its protection on the international market by providing the Bulgarian farm producer with the possibility of restoring his reputation and once again becoming one of the best in the world. It is only under these circumstances that the Bulgarian countryside will be revived and our people will survive and assume a worthy position in the world community of free nations.

The Bulgarian Social Democrats, shoulder to shoulder with their brother united agrarians, have always struggled and will continue to struggle for the free, peaceful, and prosperous life of the countryside.

The freedom of farming is a prerequisite for the freedom of the entire nation.

#### **Human Rights Commission Chairman Interviewed**

91BA0264A Sofia ZEMEDLSKO ZNAME  
in Bulgarian 22 Jan 91 pp 1-2

[Interview with Svetoslav Shivarov, chairman of the Permanent Commission for Human Rights and the National Problem, by Mariana Pencheva and Milena Doncheva; place and date not given: "Open Truths"]

[Text] There is nothing secret about the work of this commission. Journalists are always welcome at its sessions, or, if they are unable to attend, they may request information, which is freely provided. This is perhaps because the deputies who are members of the commission take their tasks very seriously. So far (since last

July), they have failed to meet only once, due to the lack of a quorum. They have a number of problems to solve because, as everyone knows, one year ago anyone who had any power could crush inconvenient people like cockroaches. The "inconvenience" criteria were so loose that the destruction, physical or moral, of the individual was easy. We now live in a different time, a time of open truths. Today, our interlocutor on this topic is BZNS [Bulgarian National Agrarian Union] Deputy Svetoslav Shivarov, the commission's chairman. He has legal training, is married, has two children, and was born under the sign of Aquarius.

[ZEMEDEL'SKO ZNAME] Mr. Shivarov, your commission is a new phenomenon in our parliamentary life. In your view, why was it not set up earlier?

[Shivarov] The reasons are well known. Although our country initiated international documents on the defense of human rights, it violated them on a mass, methodical, and drastic basis. Who among the rulers of that time would have allowed this truth to pass through parliamentary control?

[ZEMEDEL'SKO ZNAME] Actually, you have frequently said that the main task you set for yourselves is a legislative one....

[Shivarov] This is quite natural. Many laws in our country need change and improvements from the standpoint of human rights. Let us not even mention that part of the legislation that totally conflicts with international agreements in this area and that should be made consistent with them. It has long been necessary to pass new laws that would guarantee the protection of the individual from all kinds of encroachments, and deal with the national problem. Furthermore, the commission issues its views on all draft laws considered in parliament that, one way or another, affect this delicate area....

[ZEMEDEL'SKO ZNAME] Could you be more specific?

[Shivarov] Our specific project is a draft law on amending the Law on Passports and the denial of the right of a Bulgarian citizen to a defense attorney for political reasons.

[ZEMEDEL'SKO ZNAME] What about the question of compensating those who have suffered from the repressions?

[Shivarov] The Law on Amnesty did not entirely solve all problems affecting the repressed. The draft, which is ready for submission to the Grand National Assembly, will broaden the range of compensations. It will also include those who went through the communist hell without any trial or verdict, or else their heirs....

[ZEMEDEL'SKO ZNAME] What concerns the people most is the truth about political prisoners. Are there still any?

[Shivarov] No longer. Perhaps the only one is Vladimir Ignatov, a journalist, who is accused of committing

economic crimes. In other words, work in this area is known as parliamentary control over the protection of human rights. The commission received a number of reports on the "restoration process" from Amnesty International in London, from relatives, and from inmates themselves. At our suggestion, but by Ukase of the president of the Republic, a number of people were set free. Any report, even if written on a loose sheet of paper, was checked by us on site. This takes no more than two or three days. We have access to prisons and the archives of the MVR [Ministry of Internal Affairs], starting with 1944, dealing with political cases....

[ZEMEDEL'SKO ZNAME] We are looking at a long list of people who were pardoned. Some of them had exceptionally harsh sentences, and the charges were groundless and even ridiculous. To say the least, we are angry when we think that there still are some people who meted out "justice" at that time and who have not been held responsible....

[Shivarov] In my view, all sins committed as a result of such a policy should be expiated. This question has another side, as well. We are currently dealing seriously with it—the houses owned by Turks. Many of them were improperly purchased and then assigned to people who had no need for housing. Let us not even mention the fact that, in some cities, entire districts were destroyed. In this case, we are dealing with three things: the building of new houses, mainly in Ruse and Khaskovo; the restoration of houses to their owners; the submission by the prosecution of civil claims for the right of restoration on such property. In other words, we would like the government to implement Resolution No. 29, which is still on the books. This resolution promised the allocation of 80 million leva in compensation for material damages caused.

[ZEMEDEL'SKO ZNAME] Are you receiving complaints from prison inmates about the improper behavior of prison administrations and, to put it mildly, the poor conditions in the prisons?

[Shivarov] Naturally, a great many.

[ZEMEDEL'SKO ZNAME] Do you check them?

[Shivarov] Yes. Let me immediately add that they are not groundless. That is why the commission must meet with the ministers of internal affairs and justice. Our discussions will deal with legislative initiative in this area in regard to material facilities, personnel, and the conditions under which jail sentences are served. We must draft a new law on prisons, and subject to an overall review the problems of so-called labor education schools. Our society must not tolerate scandals in those places.

[ZEMEDEL'SKO ZNAME] Do you not think that our society has tolerated all too long gross interference in the private worlds of individuals?

[Shivarov] The God a person worships is a matter of personal choice. The current Law on Religious Beliefs is very narrow. This includes the main religion in the country, Orthodoxy. The commission intends to draft a new law, which will eliminate this unfairness. Probably by the end of February the draft will be ready and will be submitted for plenary discussion.

[ZEMEDEL'SKO ZNAME] Will it deal with property relations between the church and the state?

[Shivarov] It will, in all cases. A very serious problem is that of the property of the Bulgarian Orthodox Church abroad, in Aton and in Istanbul.

[ZEMEDEL'SKO ZNAME] What about here, in Bulgaria?

[Shivarov] Yes. The commission has received a number of objections to confiscated property of the Roman Catholic, the Evangelical, and the Orthodox Churches, coming from Ruse, Sofia, and Plovdiv. Specifically, we have dealt with every one of the objections and have sent them on with recommendations to the courts to be considered quickly.

[ZEMEDEL'SKO ZNAME] Mr. Shivarov, what would you like to say in conclusion?

[Shivarov] The fact that the commission consists of 39 persons but has only one councillor, which makes our load exceptionally heavy. Nonetheless, we shall investigate thoroughly and responsibly all cases of violation of human rights. We have pledged to do so as long as we remain members of the Grand National Assembly....

## CZECHOSLOVAKIA

### Deputy Minister Ruml on Continuing StB Activity

91CH0348A Prague OBCANSKY DENIK in Czech  
5 Feb 91 pp 1, 7

[Interview with Jan Ruml, the deputy minister of the Federal Ministry of Interior, by Barbara Sierszula Pilousova; place and date not given: "Caution? Yes!"]

[Text] [Pilousova] In your latest television speech about the state of security in the country you warned about the possible reactivation of forces of the former regime. Can you concretize this statement for us?

[Ruml] We are proceeding from the fact that several thousand workers of the former State Security [StB] have become civilians. We have proof that some are working against our relatively fragile democracy. They are organizing themselves, they are using former agents to gain information, they maintain contacts with the KGB, and they are laying new networks. We believe that in a crisis situation (war in the Persian Gulf, tension in the USSR, expected unrest connected with the start of the economic

reform) certain groups of former StB members in cooperation with the KGB can destabilize the political situation in Czechoslovakia, even if only in the form of a disinformation campaign.

[Pilousova] And the old structures in the Army? Can we rely on generals who in the recent past were planning the already known, and fortunately not realized, actions against the population, and now stand at the head of the armed forces?

[Ruml] No, no way. And to be honest, I am very disturbed by the situation in the Czechoslovak Army. To be sure, it is a decision for the minister of defense what adequate means he will use to eliminate the danger connected with possible surprise developments in the republic. My concerns stem from the fact that apart from the change of the minister of defense, practically nothing was changed in the Army. I am comforted only by the fact that in the past the armed forces did not play such a monstrous role as the [Ministry of] Interior. And that there exists a certain discipline in the Army and the minister of defense personally guarantees that the Army will never be used against the present political system.

[Pilousova] You also said that you will follow carefully the movement of foreign armies on Czechoslovak territory. You certainly had in mind the departure of the Soviet Army. Could some danger threaten in this respect?

[Ruml] In an exceptional situation, during heightened tensions or destabilization brought about by the forces which I already mentioned, and understandably with support from the former nomenclatura and "activists" from the Communist Party, the presence of the Soviet Army could play a psychological role: It would give those forces a sense of security. We still have here considerably more than 10,000 Soviet soldiers, some combat units, and moreover we have common borders with the former GDR where there are more than 300,000 Soviet soldiers. Now there is talk about the possibility that this army will transit through Czechoslovak territory. I personally do not agree that the departure of the foreign armed forces from Germany should proceed through our territory. It would entail most certainly measures equal to a mobilization. The presence of Soviet armed forces in any of the states of Central Europe, be it Poland, Germany, Hungary, or Czechoslovakia is in any case a destabilizing factor. And we must in no way underestimate this fact.

[Pilousova] When the Federal Minister of Interior Mr. Langos returned recently from Warsaw, he stated that he agreed with the Polish side about suspicions concerning the contacts by the KGB in Poland and Czechoslovakia. Can you comment on that?

[Ruml] The KGB planned the scenarios and basically managed the work of Security in the GDR, Poland, and our republic as well. It would be naive to underestimate this fact. It would be similarly flighty to think that it will easily give up its established positions and will not make the effort to establish its informants and collaborators

here. But most of all: It can be absolutely certainly assumed that the KGB will take advantage of our difficulties for its own goals.

[Pilousova] From the moment you assumed your function, the situation in the department where you work has begun to change quite rapidly. Simply, the orientation of this department has taken a different direction and screening procedures are under way. What is the present situation in the Federal Ministry of Interior?

[Ruml] Here, as actually nowhere else, deep changes have taken place. There are dozens of new people here who were actively engaged in struggles with the totalitarian regime, but we lack professionals, most of all people who would be able to do proficient work in the federal police. Those who had to leave worked in repressive units aimed against citizens. We do not need such a "specialization" today. Same as the organizations which prepared information for Moscow. We want different people, well educated professionals with foreign experience and knowledge of foreign languages. Morally irreproachable. I believe that we shall attain this goal. In fact, even now the Ministry of Interior is in no way what it used to be before. This office must inspire trust and not fear....

#### **Slovak, Czech View of Conditions in Republics**

91CH0212A Prague HOSPODARSKE NOVINY  
in Czech 12 Dec 90 p 2

[Text] Statistics adequately prove that by now the general living standard in our two republics is practically identical. Yet a considerable proportion of Slovakia's residents are convinced that conditions in the Czech Republic are more favorable in many respects. On the other hand, a far smaller proportion of the Czech Republic's residents think that life in Slovakia is better. For instance, merely 35 percent of the Czech Republic's [CR's] residents support the view that the living standard in Slovakia is higher than in the Czech Republic; on the other hand, 83 percent of the Slovak Republic's [SR's] residents believe that the living standard is higher on the other side of the border between our two republics.

#### **How We View Each Other**

(Proportions of the Czech Republic's and Slovak Republic's citizens who respectively think that "conditions are better" in the other republic than the one in which they are living. The results of a representative sample survey of 2,548 respondents from the entire CSFR, conducted in the second half of November 1990. Numbers expressed in percentage of polled population.)

- Living standard: 35 CR, 83 SR;
- Wages: 37 CR, 89 SR;
- Supplies: 63 CR, 87 SR;
- Job opportunities: 15 CR, 75 SR;
- Access to education: 10 CR, 47 SR;
- Cultural life: 10 CR, 77 SR;

- Interpersonal relations: 23 CR, 47 SR;
- Opportunity to get rich quickly: 21 CR, 32 SR.
- (Key: "CR" represents Czechs who believe conditions are better in the Slovak Republic; "SR" represents Slovaks who believe conditions are better in the Czech Republic.)

#### **Jicinsky on Recent Changes Within Civic Forum**

91CH0316A Prague HOSPODARSKE NOVINY  
in Czech 25 Jan 91 p 4

[Interview with Professor Zdenek Jicinsky by Jana Havligerova; place and date not given: "Professor Zdenek Jicinsky on Political Tolerance"]

[Text] The transformation of Civic Forum, questions about the political scene in our country, what is political tolerance, what are the most crucial issues at this time—this was the range of questions we had for the deputy chairman of the Federal Assembly, the leading representative of the liberal current in OF [Civic Forum], Professor Zdenek Jicinsky.

[Havligerova] Civic Forum is now changing into a party. Will this fact in any way affect the legitimacy of the representatives?

[Jicinsky] In my opinion, the representatives were elected on the ballot lists of the political parties and political movements, but their commitment toward the party is not directly given by this election. There is no imperative mandate, the representative becomes the representative of those who chose him in the election. And he cannot be removed from office during the electoral period. Therefore, from this point of view, even if Civic Forum were to split in any way, or were to change into several political parties, the nature of the representative's mandate would not become a problem.

[Havligerova] But the voters may quite rightly wonder how this can be so—they elected the representatives of OF as representatives of a political movement, which itself represented a broad democratic alliance and democratic principles, and which represented political tolerance....

[Jicinsky] It was not merely a movement that united opponents of the old regime. If this is what is being stated, it is not true. It was also a movement that united advocates of changes toward a democratic society. In this sense I do not believe that OF was merely a movement against something, it was also a movement that united all those who wished to build a society that would develop toward a market economy and that would simultaneously create a democratic legal state with a comprehensive system of democratic institutions, with a guarantee of human rights, etc. The fact that the human rights charter, which expresses these values, was adopted by the FS [Federal Assembly] is also connected with these issues for which OF was striving. In the parliament, of course, it was not only accepted by representatives of



OF, the representatives of almost all parties and movements represented in the FS voted for it. What I am trying to say, is that this was the general direction and subject matter of the positive election program that OF submitted to voters, and in which a significant portion of the citizens placed its trust.

I believe that this imposes a specific political obligation on the representatives to continue to cooperate and on everyone who was elected from OF ballot lists. No one can remove from them the political responsibility that they accepted in respect to the voters when they won their trust in the first free elections. And it is this very responsibility that should make the representatives, and all elected representatives to all state offices, realize that the question, whether stable political equilibrium will be retained in the Czech Republic (and the fragile equilibrium throughout the CSFR is connected with this), depends on their continued cooperation. Therefore, if some OF representatives allow feelings to dominate, which will favor the implementation of some power aspects within the movement over the realization of this political responsibility, then the political balance may, of course, be seriously damaged.

There are numerous manifestations of and attempts at political destabilization. From my personal point of view, for example, I had a very strange, and certainly not a pleasant, feeling when I read the heading "The KDU [Christian and Democratic Union] is striving for a purge in the parliament" in LIDOVA DEMOCRACIE at the beginning of January. I remembered what LIDOVA DEMOCRACIE had written, and how it had behaved, during the summer of 1990 in relation to the Dr. Bartoncik affair. Its present conspicuous endeavors toward a moral and political purge do not seem to me to be the manifestation of pure intentions, as far as I am concerned, I believe it ranks among the attempts to weaken confidence in elected agencies, which could lead to political destabilization in the country.

[Havlingerova] Since we are talking about the legal aspect of OF's transformation—there seems to be something wrong. Of course, its present chairman considers this aspect to be irrelevant. What will OF representatives' attitude be toward the newly formed party—won't they call for early parliamentary elections?

[Jicinsky] I consider the position adopted by the Civic Forum assembly to be a political decision, a political intention to change Civic Forum into a specific type of party. The legal consequences have so far not been calculated, therefore it is impossible to give a clear answer to this question. From the point of view of the current legal order, which is amended by Law No. 15 on Political Parties of January 1990, the following is applicable: A transition from a political movement into a political party is not possible. Therefore the only thing that could be done is for OF to consider its own dissolution. After that, of course, it could be recreated as a political party, which, however, could not retain its former name. It is also conceivable that a new political

party could be founded, and that OF could continue to exist as a movement. In fact, there are several alternatives. Section 6 of the above-mentioned law states this, and I quote: "If a political party voluntarily decides to be dissolved, to divide, or to join with another organization, it will notify the ministry which will remove it from the lists...." Analogously this also applies to political movements.

[Havlingerova] But a new law on political parties, which will regulate such problems in more detail, is being drafted.

[Jicinsky] Yes, but at this time, the situation is as I have stated. Therefore it is not really possible for a group of representatives of a political movement, however large this group may be, to decide alone that the political movement will cease to exist, and that the group will be transformed into a party. Moreover, this is not possible because Civic Forum was conceived—and this was entered into its current statutes—as a broad-based democratic movement with no individual membership, which also includes several political parties within its framework. The transformation of the movement into a political party that is clearly determined not only by program but also by organizational principles, in some aspects approaching the party whose leading role we got rid of in the not too distant past, would naturally mean a very fundamental change. (I suggest that advocates for OF's transformation into a centralized, vertically structured party should study the statutes of the former ruling party).

I do not believe that there is any doubt that all of us realize the necessity for our country to develop into a legal state. We are not yet quite a legal state for a number of reasons, but we should strive to become one. Therefore, at this time, it would be especially necessary for all those people who hold politically responsible offices, to be aware of this problem, and to realize that the only road to a legal state is through legal forms and legal means. If we try to achieve a legal state through nonlegal means, we will never succeed.

[Havlingerova] A legal state is important not only to ensure and protect human rights, but also to ensure the functioning of a modern market economy. Surely the latter cannot work without precise legal standards and guarantees?

[Jicinsky] You are right. That is why I cannot agree with Vaclav Klaus that the legal aspects in connection with the intention to change OF into a party are irrelevant. I believe they are—very much so—for the reasons I have been talking about. If our understanding of this problem is different, then we truly run the risk that we will not end up with a legal state, but with something that we probably would not want.

[Havlingerova] Immediately following the OF assembly, it was said that the unified results were merely for public consumption. That, in fact, there is disunity, and some

elements are even negotiating a coalition with the KDU [Christian and Democratic Union] and KDH [Christian Democratic Movement]....

[Jicinsky] This is a very complicated problem and procedure. The unity of Civic Forum, even prior to the assembly, was a unity in differentiations, which is normal. From a certain point of view, I recognize the need to strengthen the unity in the ranks of the advocates of OF in such a way that there will be no conflict as to whether they support the movement as a whole, or do not support the concept of economic reform, or whether they support the governmental policies or not. In some cases, when governmental drafts of laws were being approved, situations really did arise when the OF representatives caused problems for themselves because they could not agree in the parliament.

That is one aspect of the matter. The other aspect is—and we are now returning to your question about early parliamentary elections—that the voters placed their trust in Civic Forum. If it splits in such a way that one part will seek different coalition partners than before, this will seriously affect the political structure that is being created and, obviously, the relationship of the voters to their political representatives in the elected bodies. I wish I could give a negative answer as to whether elections will be called early.

[Havlingerova] The present elections were held, based on the premise that the transition to a normally functioning democratic state will be realized within a shortened two-year electoral period, and that this transition will be expressed through the drafting of new constitutions. If this difficult and complex task were not to be fulfilled, a constitutional foundation for a new state political system would not have been created. This would also weaken the political conditions and expectations for the realization of economic and other changes that are linked with it.

[Jicinsky] From the experiences of some neighboring countries that, in one way or another, are trying to switch to a market economy and a democratic political system, we can see how quickly people's interest in public issues wanes. If a person links his own political aspirations with the call for early elections, then, on a personal level, such aspirations can somehow be fulfilled. However, from an overall societal and political perspective, I am convinced that it would mean a serious weakening of, and damage to, the democratic development of this country. The interest of the voters, especially if it were demonstrated that the political representatives were unable to fulfill their campaign promises, would wane considerably. In a situation where a significantly smaller number of voters go to the ballot boxes and the bodies of representatives do not feel they have the support of a large number of citizens' votes, their commitment to the voters takes on a different nature. If representatives of political currents, whether in OF or in other political parties, are aware of their fundamental civic duty, their responsibility for the fate of the country and of maintaining its integrity, they

should take these matters very seriously. In the present situation, the necessity to maintain the integrity of the Czech state should certainly be a priority over special interests and power aspects.

[Havlingerova] Nevertheless I would like to ask whether this is not merely a short-term unity, a unity that could prove to be very shortsighted in the long term.

[Jicinsky] Someone said that former communists, and I am a former one, whereby I stress the "former," not the fundamental name, are showing some aversion to ideological phrasing. I must say that I really do prefer very pragmatic viewpoints and approaches, and give preference to the needs of the present policies, and I emphasize the responsibility of people for what is happening to this state, to this country now. I believe that it is now truly important to do all we can to preserve the CSFR as a capable state unit within Central Europe, in which all nations and nationalities, as well as ethnic groups, who live in its territory have a certain foundation and a framework to get out of the difficult situation in which we are. If this state were to fall apart, then the danger of Balkanization and everything it entails would make it incomparably more difficult to get out of this situation.

[Havlingerova] All responsible people and politicians should probably concentrate on preventing this—and should find possibilities for compromise and for agreement on fundamental needs and the functioning of the state.

[Jicinsky] Certainly. In the present situation we must try to find a solution for a very contradictory task. We must create new constitutions for the Czech Federation and for the two Republics, which will be the constitutional foundation for the long-term functioning of the Czechoslovak state as a modern federation. However, we are striving to do this under the pressure of a crisis, and this makes it extremely difficult. Nevertheless, the former constitutional amendment does not provide the means for our state structure to function flexibly. Therefore we have to try to find a solution. I hope that we will succeed, at least in part.

#### Answer to Czech Criticism of Slovaks

91CH0347A Bratislava LITERARNY TYZDENNIK  
in Slovak 18 Jan 91 p 10

[Article by Dusan Slobodnik: "Meciar Will Not Leave"]

[Text] Ludvik Vaculik is tired, he wants to put his mind at rest, he tells us in LITERARNI NOVINY No. 39/1990 in an article titled "Meciar May Leave." But according to Vaculik, Meciar should in fact be the first one to leave.

Under such an attractive title the master of anti-Slovak attacks takes to task not only Meciar, a sharp thorn in the side of many, but also the Slovak nation. He writes that Czech sympathy (so, Vaculik puts this in the national category) for the Slovaks has dropped to its lowest level, perhaps even lower than during the war. He lumped

together Slovak politicians, who are said not to be acting under duress now as they were during the war and prior to it, and the Slovak nation. Put briefly, "...[the] Czechs' sympathy for the Slovaks has diminished."

And so the "old foggy" Vaculik (because he is the pseudo-naively talking old foggy, and not Meciar, as a certain Czech journalist insisted) in fact disclosed that the driving force of the Prague publicist-political efforts is "dislike."

Vaculik's perverse way of thinking comes through in the passage about the pipeline: "It had us upset for several weeks...but as far as we are concerned, it has already been cut off." Do you understand? It upset him (them) that Slovakia dared to point out one of the many concrete examples of how it is being economically disadvantaged—this time I am using a euphemism, although the pen wants to write a much harsher word. Altogether several billion korunas have flowed with the oil from Slovakia to Bohemia, without so much as a trickle back for the repairs of the pipeline. And...from our side it has already been cut off! A tell-tale admission! There can be only one interpretation: We do not take Slovakia into account, we want our million-Mark Ingolstadt option and in addition we shall stop the planned gas pipeline Schwechat-Slovnaft (Klaus and Dlouhy in Vienna). Just think through to its logical conclusion what L. Vaculik revealed to us just between the lines, why he is getting upset in the name of his nation, why he is denouncing us.

L. Vaculik is singing an old tune. Since 1938, Prague has been playing its favorite, currently its priority, tune: Slovaks are guilty. During the war we did not get any sympathy (we were guilty) because we probably set World War II in motion, or at the very least we persuaded Hitler to break up the republic. It was not Benes and his short-sighted, unyielding policy toward the Slovaks, but cowardly and "aeroplane" policy toward Hitler, that contributed to the destruction of the republic without a fight, but it was the Slovaks, deprived of their fundamental national rights by one of the patriarchs of Slovakophobia. After the 1946 elections we did not get much sympathy because we did not favor the Communists; later, in 1968, because we allegedly did not want to even hear about democracy but were only fighting for a federation (are democracy and federalization mutually exclusive, perhaps?); then again, during the period of normalization two Slovaks (not the politburo, where the ratio was entirely different) ruled—an especially broadly disseminated fable! Well, and now they do not like us because—let us not mince words—we do not want to let ourselves be economically exploited and we do not want to surrender to the Prague consuls of various ranks our indisputable national rights.

A pearl thrown before the ungrateful Slovak plebs are L. Vaculik's thoughts about a federation. He conjured up an example (in the "old foggy" style par excellence, as far as the level of the arguments is concerned): If Austria and Hungary were to join together now, the federation

would contain what the two states brought into it. If Austria were federalized, the constituent parts would get only what the primary (?—discovery of political science!) government would give them according to what reason and pressure dictate. It is as if the difference between a multinational and binational state somehow escaped the experts on the federation theory. And, moreover, the time when our two nations agreed on an equal coexistence is not so far back in history. It was agreed upon three times: the first time in Pittsburg, then in 1945 in Kosice, and "federatively" in 1968. And not even once did the justice and equality materialize—and not because of the Slovaks. (Is that perhaps why Vaculik wants to immerse himself only in the more distant history, prior to 1814?)

The fourth attempt to acquire the right to make decisions on behalf of the Slovaks and force them into a federation model a la Vaculik, Hanak, and Veis (including some higher-ups) which we are witnessing, is startling not only by the deviousness of the anti-Slovak acts but also by the speed with which the Prague authors of the scenario want to wrap it up. The authors of the ingenious scenario, the substantial part of which is disinformation for the world public opinion about Slovakia and its real aims, forgot one thing: three times—coerced by force (even now they threaten it)—we got burned and so we are blowing out—"coerced" by democracy and the basic rights of nations at the close of the twentieth century—the flames. The lights of Prague are burning bright—fed by cheap oil and gas....

Vaculik did not have to make up hypothetical examples of federalization. He should have just looked around him. There is no multinational European federation that could be built today from above, as Vaculik, Hanak, and Veis dream about. One example is Yugoslavia, and even the Soviet Union. That certainly is not an example of democracy for us, but even nations living in Asia—Uzbeks, Kirgiz, etc.—want to give the new federation only those rights that the nations or republics deem appropriate. So in Prague they are doing their courting in vain....

Very touching is the passage in Vaculik's article to the effect that Slovaks are demanding parity or percentual representation, possibly a rotation in responsible positions, while we (Czechs) have come to the conclusion that only the best people should be placed everywhere, even if it turns out that out of seven the five best are Slovaks. What do we have more of here: hypocrisy or demagoguery? It sounds particularly laughable in the pages of the LITERARNI NOVINY, where they think so little of Slovak literature that they have written hardly a line about it, although they have repeatedly written about almost all other literatures with the exception of the Patagonian.... The Slovaks for years have been, and still are, having a hard time swallowing the sop of this "objective" and "selflessly just" assignment of functions to Slovaks. It is obvious in the number of employees in services abroad, foreign trade, and above all banking, which is now getting all the trump cards.... The authors

of all the sweet, seductive talk about "the best" are firmly convinced of the higher intelligence quotient of "theirs," we Slovaks are tinkers (Ruml), a nation of sheepherders (L. Smoljak).

The game that LIDOVE NOVINY, including the literary supplement, is playing fortunately cannot be won against the will of the Slovak nation.

And, so that I would not forget, Mr. Vaculik: Meciar will not leave. Meciar is doing very well in Slovakia.

## HUNGARY

### Parliament's Productivity Praised, Gaps Noted

91CH0331B Budapest MAGYARORSZAG  
in Hungarian 11 Jan 91 p unknown

[Article by Z.H.: "Reporting From Parliament"]

[Text]

### Statistics: Eight Months, 104 Laws, 110 Points, 115 Interpellations

There is hardly another legislature in the world like that of Hungary. In a single year it has framed 104 laws thus far on every conceivable topic, and the statistical picture does not suffer by comparison, given that 41 of those 104 were new laws and the remaining 63 were, for the most part, substantial modifications of existing laws. The number of parliamentary resolutions, 55, is also comparatively large, indicating that accelerated and increased legislative work periodically demanded resolutions having virtually the force of law from the National Assembly. This is a total of 169 laws or resolutions that have been effected by the parliament in 67 plenary sessions. Again, this is a remarkably large number since during the past 40 years, parliament on average, has been in session no more than eight to twelve days annually. Naturally, the exception to this is the second half of 1989, when the change in the legislative system began.

### Age, Occupation, Residence

Who framed these laws? The Hungarian legislature has 386 members; 176 of them won their mandates in specific election districts, while 210 were sent to the legislature from various party lists. Of the parliamentary representatives, 358 are men, 28 are women, 322 are white-collar workers, 7 are blue-collar workers, 8 are entrepreneurs, and 22 are retirees. All in all, 52 representatives are residents of villages, 156 live in the capital, and 178 come from other cities. Of those representatives under age 60, 26 are under 30 years of age, 110 are between 30 and 40, 138 are between 40 and 50, and 64 are between 50 and 60 years old. Of those over age 60, 36 are between 60 to 70 years of age, 10 are between 70 and 80, while the over-80 category contains parliament's two oldest members, Pal Demeny and Kalman Keri, who have both celebrated their 90th birthdays.

### 462 Committee Meetings

Of parliament's 10 committees, the constitutional, drafting, and justice committees have met most frequently for a total of 88 sessions because they are the ones that issue "a program" to the entire body. The budget committee has convened 54 times. The frequency is striking, considering that it was Mikolas alone who produced a 1991 state budget draft for the representatives. The social, family protection, health, and economic committees have each held 42 sessions. Undoubtedly, the concerns of the first three had to do with transforming financial and other types of structures within social security, while the privatization of state assets and the sale of state enterprises may presumably have been under discussion most often at the economic committee meetings.

Plenary sessions were held 25 times by the culture, education, science, sports, television, and press committees, but their subcommittees met on 37 occasions. As evidenced by the budget debate, the new National Assembly is showing comparatively little concern for defense. This is perhaps best exemplified by the fact that the defense committee held sessions least frequently, a total of 32 times. The self-government, public administration, and domestic security committees were remarkably busy, and met 41 times in the past eight months. The National Assembly which convened on 2 May [1990] also had two special committees. One was an audit committee which in 10 sessions oversaw procedures for privatizing the press and electronic media. The other was the ad interim committee, whose members held eight meetings and were charged with arranging budget subsidies for social organizations not affiliated with [political] parties.

### Still a Shortage of Laws

The National Assembly that adjourned [last] spring had already been subjected to unprecedented pressures to create legislation since it had to prepare the legal framework for the transition to a multiparty system and since it had to establish safeguards in law for the change in system. The new National Assembly that convened after the first free elections in 41 years also carried out its enormous job of legislation. However, we must note that in their work, both the parliament that adjourned in April and the one that convened in May [omitted] essentials that are still being hoped for today. There is neither a land law nor a comprehensive privatization law that exists that can be applied generally without regard to the time or category of the ownership change involved. No special law exists for the capital, and there is no new press law. The social security system has not been restructured in the needed manner, and there still has been no discussion of a new education law, which according to public opinion is quite necessary. In December of this past year, the lack laws pertaining to public revenue administration and state finance matters were also felt when an attempt to forcibly pass the state



budget bill became tremendously difficult for various reasons, not the least of which were the myriad of amendments.

### **SZDSZ Chief Discusses Political Landscape**

91CH0285A Budapest KRITIKA in Hungarian Nov 90  
pp 6-8

[Interview with Janos Kis, president of the Alliance of Free Democrats, by Lajos Pogonyi; place and date not given: "A Philosopher in Politics"]

[Excerpt] [passage omitted] [Pogonyi] Members of the former democratic opposition now in the ranks of the SZDSZ [Alliance of Free Democrats] occasionally seem to forget that BESZELO, the AB Independent Publishing House, or the Free Initiatives Network were not the only ones who functioned, during the years of the Kadar regime's "soft dictatorship." There were also others who dared to speak out. For instance, Sandor Csori, of TISZATAJ was banned because of his bold writings. Furthermore, members of the former democratic opposition now in the likes of the SZDSZ tend to forget sometimes that within the trenches of power the Communist reform wing helped to dismantle the party-state.

[Kis] I would not say that our memory span is that short. We never thought that we were the only ones who existed. We knew very well that without TISZATAJ, for instance, BESZELO's range of influence would have been smaller. We followed with interest the activity of also the Communist reform wing.

[Pogonyi] Has it never occurred to you that joint consultations, if not collaboration with the reform wing might have been possible? As I recall, you were more inclined to distance yourselves from the reform wing.

[Kis] Reread the old issues of BESZELO and you will find that your memory has been playing tricks on you. We were experimenting with politics of a different kind and did not want to be lumped together with those who were striving to reform from within. We watched them with interest and sought to establish a dialogue with them. Some of them even published articles in BESZELO.

[Pogonyi] Whom do you have in mind?

[Kis] Laszlo Lengyel and Lajos Bokros, for example. The fate of our relationship with the Communist reform wing (not with individual friends of ours, but with the political current as such) was decided between the autumn of 1987 and the spring of 1988. That was when the persons who led the ferment within the reform wing, I am thinking primarily of Imre Pozsgay, attempted to widen their political base, and to gain legitimacy within their own party by forming an alliance with the populist movement and isolating us, the democratic opposition. That was the Lakitelek solution.

[Pogonyi] Don't you think that perhaps you people were too inflexible at that time?

[Kis] To this I could reply that we were being beaten with rubber truncheons at that time, and we were being entertained by having our homes searched. However, take a glance at the writings that appeared in BESZELO between 1983 and 1987. You cannot say that we lacked patience and understanding for the majority who did not accept the risks of repudiating the system openly. You cannot claim that we did not seek middleground solutions that would have been acceptable also to the average citizen and would have excited his practical imagination as well. Or that we made no effort to exchange views with the populists, the Communist reform wing, and the camp of radical economists and sociologists. We did not just happen to be in Monor in 1985, where all these currents were represented. Instead, we participated very actively and deliberately in organizing the Monor conference. When multiparty democracy emerged, all of these currents became several parties. But it was not the democratic opposition's fault that divorce came so soon and in such an ugly way. It was not we who excluded others from Lakitelek.

[Pogonyi] According to some views, only the SZDSZ represents left-wing bourgeois liberalism within Hungarian society that essentially is center-right. How do you rate the social liberals' chances of eventually winning a majority in the elections?

[Kis] Whether Hungarian society is leaning "essentially" toward the center-right has not yet been decided. Nor can we say whether ten years from now the same parties will be on the horizon as today. But in 20th century Hungary it is certainly noteworthy that jointly the liberal parties, or the parties also advocating the values of liberalism—including the Social Democrats—did not get as many votes as the SZDSZ alone last spring. I think that this is due among other things to the fact that Hungarian society has changed considerably during the past 40 years.

[Pogonyi] Could you expand on that?

[Kis] What I have in mind is that our social structure has become more homogeneous. The master-servant division of roles has disappeared. Social mobility has increased slightly, and opportunities have emerged for becoming middle class. At the beginning of this century, or even after 1945, liberalism was a privilege of the capital's intellectual elite, but today that is no longer the case. Wherever I go in Hungary, I find real Free Democrats everywhere.

[Pogonyi] In your opinion, to what extent is the SZDSZ a catchall party? How well are such orientations as radical neoconservatism or social-liberal social democracy able to coexist?

[Kis] The party is split into clearly identifiable currents of thought or behavior, but not so much along the ideological dividing line that you mention. However,

these ideological differences are of interest only to the intellectual elite within the SZDSZ. Among them there are thinkers (such as my friend Gaspar Miklos Tamas) who are very close to liberalism in the neoconservative sense. But there are also others (Tamas Bauer, for example) who are attracted to the more sensitive social currents of liberalism. These differences are truly important to a relatively narrow circle of intellectuals. The membership's political attitudes tend to vary more on the basis of their social segmentation.

[Pogonyi] And where is your place on the SZDSZ palette?

[Kis] Ideologically I fall closer to Bauer than to Gaspar Miklos Tamas, but in my opinion, as long as I enjoy the membership's confidence and remain the party's president, the role that I must strive to play is primarily that of mediator and moderator. Of course, not merely in ideological disputes. From a relatively small intellectual movement in Budapest we have grown into a national party. We have become a populist party in the European sense. All regions, types of settlement, and social strata are represented in significant proportions within the SZDSZ. This inevitably has its consequences. There are many people who truly subscribe to liberal ideals, and that is why they have joined the SZDSZ. Others see in us the party that opposed the previous regime the most radically. There are entrepreneurs among us because they feel that our economic policy program favors a market economy the most. There are manual workers among us who believe, justifiably I hope, that the SZDSZ is the party which will protect them. Each of these various motives and expectations shapes the party's aspect, and not just the range of ideas that the party originally advocated. From the interplay of these many different effects there will eventually emerge the party that the SZDSZ will become in a few years from now.

[Pogonyi] Today it is not difficult to gain popularity in this country with anticommunist slogans. Does not the SZDSZ feel responsible for the fact that the mood has been rather ruffled this autumn, so far as the previous regime's men are concerned? In spring you were still more concerned with preventing the restoration of the past, but less concerned with the greatest enemy, namely the right wing. Simply stated, you failed to join battle with the MDF [Hungarian Democratic Forum] as required. That, I believe, also cost you votes.

[Kis] We truly came out as the party of radicalism opposed to the former regime, and in that sense we were radical anticommunists. But even at the height of the spring election campaign we took pains to make unambiguously clear that we would oppose any kind of witch hunt. By anticommunism we did not mean that every Communist ought to be hanged from the nearest lamp-post, or that the Communists must be tossed out from their jobs just because they did not belong to the party that would eventually come to power.

[Pogonyi] How should I put it? The MDF, too, advocated the latter.

[Kis] Just play back the tapes of that TV interview in which Gyula Horn, Jozsef Antall, and I were discussing witch hunts. At that time Antall did indeed threaten to screen state administration's entire bureaucracy. He said it would be necessary to examine not only professional qualifications and managerial competence, but moral and humane traits as well. I then said very categorically that we Free Democrats would not accept any such screening, and would insist that political criteria not be applied to anyone below cabinet rank.

[Pogonyi] There was nevertheless a price you had to pay for your activism. You lost a large number of Socialist votes.

[Kis] Yes, we did. It was clearly perceptible in the election's second round that MSZP [Hungarian Socialist Party] supporters, if they bothered to go to the polls at all, preferred to vote for the MDF wherever the Socialist candidate had dropped out or had withdrawn. Those were truly votes that we lost. In my opinion, the net balance was still in our favor. Had we not been so unambiguously clear, we would have received fewer votes from others. It is true, nevertheless, that many people voted for the MDF because they were expecting consolidation and a rule-of-law state from it, and feared that our radicalism was extremism that would undermine law and order.

[Pogonyi] Your excessive activism must have frightened off certain social strata.

[Kis] That is true. But if you pull out the results of the public opinion polls conducted at that time, you will find that our popularity began to climb when we refused to sign the agreement that the MDF and its coalition partners had concluded with the MSZMP [Hungarian Socialist Workers' Party]. The referendum gave us a big boost, and so did the Danubegate affair. Of course, we also paid for our activism, as 15 March demonstrated.

[Pogonyi] Let me ask you an entirely different question. One that, in my opinion, is nevertheless warranted. Are you not aspiring to replace the Social Democrats? Not to mention what it thinks of the MSZDP [Hungarian Socialist Democratic Party], a proportion of the population believes that the SZDSZ and FIDESZ [Federation of Young Democrats] represent left-wing values better than that of the Socialist Party.

[Kis] We are a party dedicated to the values of freedom, equality and solidarity. We support free enterprise, but also free interest-representing organizations. Not even in the most efficiently functioning market economy will everyone be an entrepreneur or investor. Employees will be in a majority everywhere. A very large proportion of the emerging free trade unions is being formed by Free Democrats. Regarding the vacuum that social democracy has allegedly left behind, my impression is that no such vacuum exists. I think that a Social Democratic

Party in the classical sense will not be able to emerge in Hungary within the foreseeable future. And not just because the Social Democratic attempt, which now mostly attracts the attention of only the comics, has discredited the Social Democrats. The primary task in Hungary today is to create a market economy that is based on direct investment of private capital. A middle class must emerge that is the vehicle for such a market economy and also supports it politically. In this sense the long-term interests of employees coincide with those of the entrepreneurs and owners simply because there is no other way that we could extricate ourselves from the economic crisis that strikes everyone. In my opinion, this is why only the social liberal parties, the socially sensitive, and dedicated liberal parties, have any real historical prospects.

[Pogonyi] Do you think that there is any chance of disabusing certain strata of their nostalgia for semifeudal Hungary? Do you agree that Hungarian political public opinion has not changed at all since 1945, and that it is just as center-right oriented as it was nearly 50 years ago?

[Kis] No, I do not agree that Hungarian society's political orientation has not changed at all. I have already discussed that. Nostalgia for the Horthy era is truly strong today in a proportion of the middle class strata. But I do not think that the majority of the governing coalition's supporters had voted for irredentist monuments and county prefects, not to mention gendarmes or the prewar paramilitary youth organization. They voted for democracy, with the least upheaval possible; for economic stability, at the lowest cost possible; and for linking up with Europe, as smoothly as possible. A significant proportion of these people have become disillusioned. Their disappointment will not necessarily induce them to switch parties. It could also result in political apathy, and that in its turn could easily tip over into extreme radicalism. However, that is not the only possibility. Hungarian society consists of intelligent and mature people. It has learned a lot from the preceding decades, and it will certainly learn a lot from its present experience as well.

#### **Proposed Return of Church Properties Viewed**

91CH0339A Budapest HETI VILAGGAZDASAG  
in Hungarian 22 Dec 90 pp 75-76

[Article by Aniko Szanto: "The Congregations Are Wealthy"—first paragraph is HETI VILAGGAZDASAG introduction]

[Text] The shortcomings in the development of the middle class of prewar Hungarian society will soon become virtues if the churches can reclaim their former real estate as is planned in a bill. In addition, the churches would get much better treatment than other owners who had suffered losses through nationalization.

For several days last summer, MAGYAR HIRLAP published a list of real estate properties that the churches were reclaiming. That was nothing compared to the time

it will now take to publish the list in case the parliament passes the bill on "the disposition of the ownership of onetime church real estate properties," recently drafted by experts in the Ministry of Justice.

According to the bill, all churches, monasteries, parsonages, and real estate serving educational, health, social, and cultural purposes, including residences, that were nationalized without compensation after 1 January 1948 and are presently owned by the state or local authorities, could be returned to the churches during the coming ten years. The only requirement the bill specifies is that the highest authority of the given church (or a specified representative in the case of a nonhierarchical church) "submit reclaim for the real estate property to the Minister of Education within one month after this law goes into effect."

Subsequently, representatives of the government and the interested church would form committees of experts in each church, chaired in all instances by the appointed state secretary of the office of the prime minister. The Ministry of Culture and Education would set up a new administrative office to prepare all of this and to handle the return of the properties. In accordance with the churches' claims, the committee would prepare a list of properties to be returned. In the meantime, they would negotiate with local authorities, under the presumption that "a solution can be found that is acceptable for all parties concerned." The minister of culture would subsequently recommend a list to be authorized by the government for a period of ten years. Accordingly, the churches could submit their actual claims by 15 August of each year.

Local governments would probably do well now to pray for God's help. In view of the local governments' economic and proprietary conditions, the parliament gave its blessing to a few concrete things in the local government law which was passed in the fall by the House of Representatives, but it ratified the stipulation that ownership of onetime institutions operating under local government budget and jurisdiction must be transferred to local communities. Ownership will be short-lived if the churches can now reclaim most of these properties from them. Not much imagination is needed to visualize how the issue may grow into legal quarrels if, for instance, the church would want to put its hand on the one and only school in the village again.

The churches' appetite may indeed become insatiable. As a result of the 1990 budget modification in the spring, the financial conditions for operating church-owned educational and social institutions that also "carry out tasks of the state" became better than those of state institutions during the last days of the Nemeth administration because they are getting the same amount of state subsidy as the state institutions. The draft of the 1991 budget also displays this partiality even though the churches can also supplement these sources by charging tuition and compensation fees.

Under such circumstances, the churches would definitely have to be self-abnegating, like true Christians, to refrain from reclaiming everything. According to the draft, "for the purpose of creating adequate financial conditions for the church to carry out activities that are useful for society, the government and the churches concerned may agree that the state will pay compensation for church properties, excluding arable land, which had been taken away by the state without compensation but which, according to the law, are not to be returned." The draft stipulates that local governments could not transfer to anyone the proprietary and operational rights of the properties intended to be returned until their transfer to the churches, unless the Ministry of Culture, in agreement with the church concerned, would exempt them from this. Incidentally, the draft also stipulates that the churches may also use the transferred institutions in the future but only for their original purposes.

There is an explanation why the minister of culture is the one to whom this authority is given. The now defunct State Office for Church Affairs became a main department in the cultural portfolio. This may result in a separate office apparatus as the passing of the bill would again make the renewed Office for Church Affairs indispensable for at least ten years.

The new parliament has already refused once to debate the draft bill on the gradual return of church properties. The Nemeth administration left behind a draft bill which was taken up later by the Antall administration that would have imposed a moratorium (a temporary ban) on selling former church properties. Although this bill has never been put on the new parliament's agenda, "The Program of National Revival" nonetheless included bright prospects among the promises of restitution for returning former church properties, declaring that the government "will not privatize or sell, but will preserve properties still owned by the state that were church properties carrying out basic church functions or social functions on 1 January 1948 (churches, monasteries, convents, schools, parsonages, and social and health institutions etc.), and these real estate properties will be the actual means by which the churches' social function will be restored. In the near future, the government will submit to the parliament a draft bill on the disposition of ownership of church properties and on the legal possibilities of meeting the churches' claims."

Many people are curious about how far back the parliament's memory will go and whether it will put more weight on one-sided political or on more sensible social and economic considerations. One reason for this is that there is a good chance that local governments would not look after institutions that they know they would sooner or later have to relinquish.

#### **Extra-Legal Reclaiming of Property Discussed**

91CH03314 Budapest NEPSZABADSAG in Hungarian  
30 Jan 91 pp 1, 4

[Interview with Deputy Attorney General Sandor Nyiri and political scientist Dr. Laszlo Boros by Andras Sereg]

place and date not given: "With Open Arms"—first paragraph is NEPSZABADSAG introduction]

[Text] In recent weeks, hardly a day has passed without a land seizure taking place. We asked Deputy Attorney General Dr. Sandor Nyiri and political scientist, Dr. Laszlo Boros, about this specific method for the disposition of property and its legal and political contexts.

[Sereg] Mr. Nyiri, in the eyes of many people the arbitrary seizure of land is nothing more than the appointment of oneself as both the judge and the jury. But according to the penal code which is now in effect, this is a criminal offense. What is your opinion?

[Nyiri] What qualifies as taking the law into one's own hands and what does not depend on the facts in the case. In other words, the issue can only be approached from the criminal law angle if the act was carried out through force or intimidation. Personally, I am not aware of any such cases.

[Sereg] Aren't these acts a violation against the existing property system?

[Nyiri] They may violate it. I apply a contingency method because rightful claims that can be vindicated may come to light. For example, if someone desires to quit the production cooperative, a procedure for that is provided by the law. Where land seizure is concerned, this is not a solution in a country that is governed by laws. In my opinion, the appropriate thing would be for the parties to wait for the relevant decisions to be made by parliament on the matter.

[Sereg] How can the property owner act against trespassing?

[Nyiri] The law protects the lawful user, the property owner against the trespasser.

[Sereg] And the Public Prosecutor's Office?

[Nyiri] The Public Prosecutor's Office can only proceed if it is informed about the perpetration of an offense. I would add, and this applies not only to seizures of land, that if the answers to the more significant questions involving society are slow in coming, then the issue of accountability on the part of those who make the laws, as well as those who apply them, has been raised. This is primarily not a legal but a political issue.

[Sereg] After we talked to the Deputy Attorney General, we spoke with Dr. Laszlo Boros about the political and social aspects of the topic. In your opinion, to what types of causes can acts of land seizure be traced?

[Boros] I think that both general and specific projections alike can be drawn from this phenomenon. The occurrence of actions like these only confirm that the background for socialization of civil democracy continues to be absent in Hungary. In other words, every member of a society that matured under a nondemocratic system forms some type of mental image for himself about the



nature of democracy. Later, when citizens encounter the institutions of the new order, they compare reality with their own ideals. Because of economic difficulties and the backwardness of political culture, democracy here at home is still imperfect. There is inevitably a clash with illusions and dreams that do not otherwise exist in the more developed democracies.

[Sereg] What are these illusions?

[Boros] Following the change in systems, many people envisioned democracy as everyone being able to effectuate his own values immediately by saying now that democracy exists, such and such should be followed, right? The fact that we are stuck on the land seizures has been compounded by the promises of one political party, something that only further strengthened the illusions.

[Sereg] What do the land seizures show?

[Boros] I agree that staking out a claim is not in and of itself a criminal act, but it must not be forgotten that land is an item of ownership to which special protections apply. Staking a claim signals that something is being threatened.

[Sereg] What is the solution?

[Boros] The solution is a quick and firm decision. As long as the issue is left hanging, undoubtedly more claims will still be staked.

### Police Chief Clarifies Stance on Taxi Strike

91CH0318A Budapest TALLOZO in Hungarian  
11 Jan 91 p 25

[Interview with Budapest Police Commissioner Sandor Barna by Zoltan Czego; place and date not given; reprinted from MAGYAR FORUM, 3 January 1991]

[Text] It has been two months since a segment of Hungarian society, the taxi drivers, surprised our already strike and demonstration-hardened populace with their own stunning protest initiative. Soon thereafter there were buses and tractors standing idly everywhere around the country, and if it had been left up to them, in their anger and conscious of their power—i.e., their power to completely paralyze a country—the drivers would have even stopped the birds from flying. Then on 27 October, we heard directly from the capital city police commissioner, Sandor Barna, that he would refuse to comply if ordered to break up the blockade.

In that dramatic situation this was a startling statement. When can an order be refused? Are there any circumstances under which a soldier can question the legality and lawfulness of an order? And if the soldier was following orders, is he responsible for the legal and moral consequences of his actions?

[Czego] General, at the end of October you stated the following: "If I received an order I would refuse to carry it out." I have been intrigued ever since by the possibility

of this actually happening, and of course by the legal and moral ramifications of, and motivations behind such a refusal. Under what political or other special circumstances can a soldier refuse to carry out an order?

[Barna] Under no circumstances!

[Czego] What are the limits within which an order can be refused on moral or other grounds? And what absolves the refuser of responsibility for the potential political, moral, and material consequences?

[Barna] The order may be refused, and the soldier may not be charged in certain special cases...and, well, I must admit that no one from the Hungarian press has put this question to me so directly before. Hence, the answer I am going to give you now will be a first. On 27 October, at the time of the blockade, no one said anything about refusing a legal order. I was responding to a question by a journalist concerning the possible use of legal means to put an end to the blockade. The use of force and legal means are two different things. In the case of car barricades, we may talk about two different types of force: force against objects (cars) and force against persons. On the morning of 26 October, responding to questions on the TV program "Nap," I had said that if we found no other way over the long run to end the blockade, we would start turning over the cabs. There has also been precedent for such an action in Vienna. A blockade cannot be maintained for long whether it be here or anywhere else in the world. Then a reporter asked: "What happens if you get the order to intervene?" I can repeat to you verbatim what I then answered back: This legally and freely elected government would not issue such instructions, but if I did receive such an order—which as I said would have been inconceivable—then I would refuse to carry out the order, and would resign from my post. I thought, and continue to think that issuing such an order would be absurd and unconstitutional, but as it turns out, no one had planned to issue such an order. So the scandal seekers picked up the story and ran a distorted version of my response in the papers.

[Czego] When can an order be refused within the ranks of the armed forces?

[Barna] In two cases: if the order is contrary to the existing laws, or if it is contrary to the obligations sworn to in the pledge of allegiance. If a soldier or rank-and-file police officer receives an unlawful order and does not refuse to carry it out, he can be held responsible. In other words, no one can claim that he was only following orders. I cannot ignore the law and commit murder.

[Czego] In other words, contrary to his pledge, he can refuse to carry out an unlawful order but he must accept responsibility for his decision?

[Barna] No, sir. He does not have to face any punishment if by acting or refusing to act he was acting within the law. If the order is unlawful, it is his duty to refuse it.

Sandor Barna earned a university degree in 1964, after completing a daytime program in political science and law, and immediately afterwards he found a position with the police department; ever since then he has been working in an environment of legal statutes, permanent and changing laws. He picks up the Service Regulation of the Police Force of the Hungarian Republic and looks up the pertinent provision, Paragraph No. 538: "An order must be refused, and the superior authority must be informed if the order is clearly contrary to the obligations assumed in the pledge, and if it is unlawful." We continued to leaf through the regulation, looking at what the text of the pledge said about defending the constitutional order and the rights of citizens, even at the risk of one's own life.

[Czego] Does a sergeant have the right to determine the extent to which an order is lawful?

[Barna] No, he does not. He can only determine whether it is lawful or unlawful.

[Czego] If 10 or even five years ago you had received an order, let us say on 15 March, to break up a protest, would you have refused it?

[Barna] If I had received an order, I would not have dispersed the crowd. In Szeged we had accepted the fact that they were holding demonstrations and commemorations with flags, and we did not interfere. We did tell them that they shouldn't...that perhaps they shouldn't...but they continued; yet we did not interfere. And if I had received an order to disperse the crowd, I would have refused. However, you must also take into account the fact that back then, five years ago, we also had other laws in force most of which are no longer in effect.

[Czego] Are the police protecting the law, or is the law (also) protecting the police?

[Barna] Police officers who observe the law are already protected by the existing statutes. The main thing is for everyone to be familiar with the law so that they will not make a mistake.

[Czego] How were you able to make the transition to democratic legality from the era of party directives?

[Barna] We never received any direct orders from the monopoly party. Only the interior minister could issue orders, but of course everyone knew that there was only one source from which we could and did receive our orders through the Ministry of the Interior. There was the battle of Chain Bridge, the countless protests and demonstrations, and in every one of those instances it was specified for us from above where to post officers, and where people would be allowed to pass, march, and protest.

Commissioner Barna then briefly explained how and why he became a prosecutor: There is a greater need for detectives than for captains; people do not prepare to become police chiefs, he said.

[Czego] One would think that by necessity this would be the time to strengthen the police; now, at a time when we are being overrun by foreigners, criminals, tramps, and refugees. Unfortunately this is not the case. The prestige of the police has been shaken, and this prestige, the trust, and respect of the citizens must be renewed. Somehow the geometric rise in crime in our country has coincided with the faltering of the reputation of our police, and with the curtailment of their strict means of law enforcement. We have one car burglary every 20 minutes, a murder every day. During the one-party system the police became a completely alien entity for the populace. What is your opinion about this?

[Barna] It is very true that law enforcement is also not immune to the danger of rapid deterioration. However, there has been a fundamental change in that the focus of police work today is not so much on ensuring that the citizens observe the rules, but on how they can be best protected.

[Czego] During the vehicle blockade, to what extent was the role of the police perceived as protective? Do you agree with the notion that military and police officers should not belong to any party?

[Barna] Police and military officers should never be tied to any political party. I may have my own opinion, as may others, but that should not influence my view of our service regulations, our democratic system, or the law. It is a more secure police officer, who has the law on his side, and who can also enjoy its protection. The law confers upon the police certain rights but also the obligation to protect the citizens, and here party loyalties cannot become a factor. A final comment about the taxi blockade: From hour one, I considered it to be a blatant violation of the law, not only because we had not been told about it, but because the blockade as a whole was illegal.

At this point I was taken aback with surprise. The commissioner already knew back then that the whole protest action was illegal! Does this mean that hundreds of thousands have erred in interpreting the commissioner's famous statement as refusal of an order? Or was it the scandal-hungry press that distorted his words? The two are not the same.

## POLAND

### Solidarity Buys EXPRESS WIECZORNY

91EP0247A Warsaw ZYCIE WARSZAWY in Polish  
13 Jan 91 p 2

[Article by (x): "Tender Offers for EXPRESS WIECZORNY Concluded"]

[Text] As we already informed you on 10 Jan 1991, the Commission for Bid Examination [Komisja Przetargowa] met in session. It reviewed offers made to buy the

daily newspaper EXPRESS WIECZORNY and examined the opinions filed on the subject by the paper's editorial office, the Solidarity National Commission of RSW [Workers Cooperative Publishing House] Employees, and the executive board of SDRP [Social Democracy of the Polish Republic], along with the views of Lech Walesa, President-elect of the Polish Republic as expressed in a document from his press spokesman Andrzej Drzycimski.

Recommendations were also read concerning the organization of tender offer adjudication presented by the Sejm Commission on Culture and the Mass Media and the Agency on Foreign Investments.

The commission also studied a letter from Wiktor Kubiak, director of the Batax Foreign Enterprise, withdrawing his offer to buy EXPRESS WIECZORNY.

Representatives of the editorial group and SDRP expressed their support for the offer made by the United Entertainment Enterprises [Zjednoczone Przedsiębiorstwa Rozrywkowe], but President Lech Walesa and the Solidarity National Commission of RSW Employees came out in favor of the Solidarity Press Foundation's offer.

Following discussion, the commission decided to sell EXPRESS WIECZORNY to the Solidarity Press Foundation for 16 billion zlotys. The Commission for Bid Examination approved the offer by a majority vote (with four yeas, two nays, and one abstention).

In view of the fact that both offers were the same in financial terms, the commission took meritorical and social considerations into account in making its choice. In favoring the offer made by the Solidarity Press Foundation, the commission decided to accept the offer of a private institution rather than that of a state enterprise. The offer involves a desire to found a great publishing house able to be an important social element on the Polish publishing market, inasmuch as the Solidarity Press Foundation offer assumes the purchase of the printing facilities and the building in which the editorial offices are located. The Voivode of Warsaw and all the trade unions at Press Graphics Enterprise [Prasowe Zakłady Graficzne] in Warsaw at 84/86 Nowogrodzka support these efforts.

It is true that the fact that this offer was not approved by the group was an argument against the Solidarity Press Foundation's offer, but the commission also took into account the consideration that one of the basic social objectives often raised during the discussion on liquidation of the RSW firm was the possibility that new social forces would have access to the mass media. The choice of the [Solidarity] foundation's bid is a component part of press marketing pluralism and is a way to implement in practical terms the demand to create a market of publications of great social and political variety.

The commission is aware that the majority of the editorial staff of EXPRESS WIECZORNY will not approve of

the commission's choice in accepting this offer, but the new owner must retain all the editorial office's employees that want to continue working there. The rest of the members of the group have a job assured them at the editorial office of what is called the morning EXPRESS, which is owned by the Journalists Cooperative. The journalists were successful in obtaining the support of the RSW Liquidation Commission for their initiative to create this publication.

The RSW Liquidation Commission and the Solidarity Press Foundation signed the EXPRESS WIECZORNY purchase agreement on 11 January, thereby making the foundation the newspaper's new owner.

### Democratic Union Chief on Party's Nature

91EP0244A Warsaw ZYCIE WARSZAWY in Polish  
21 Jan 91 p 2

[Article by (PS): "Union as Centrist Party: Meeting With Nowina-Konopka at the Main School of Planning and Statistics"]

[Text] "I see the Democratic Union [UD] as a formation of a centrist nature," said Piotr Nowina-Konopka, the general secretary of the UD, at an open meeting held at the Main School of Planning and Statistics on 19 January. "I believe we can find agreement with European Christian democrats and social democrats."

According to Nowina-Konopka, a great asset of the Union is its wise and mature electorate of three million. They voted for Mazowiecki in spite of expectations that he would not win the election, and in spite of his shortcomings in "selling himself" to the mass media. A great asset of the Union is also its leader, Mazowiecki, a politician who has already proved himself in carrying out state responsibilities.

According to the former minister of state, a distinctive feature of the UD is its open formula which permits it to overcome doctrinal divisions. This quality raises the Union's chances, since society is tired of ideologies.

About 300 people attended the meeting; Nowina-Konopka responded to their questions. One of them referred to the attitude of the Citizens Movement-Democratic Action [ROAD] to the UD. The UD secretary general stated that he believed regional ROAD [organizations] favored the idea of closer relations among all the groups of the former Mazowiecki camp. The final answer to this question would be given by the ROAD congress taking place in a week. Kazimierz M. Ujazdowski, general secretary of the Forum of the Democratic Right [FPD], said that the FPD did not believe that the forming the Union would signify losing the distinctness of each group that joins it.

One person asked whether Mazowiecki had rejected Walesa's offer of reconciliation. According to Nowina-Konopka nothing like that happened. During Mazowiecki's visit at the Belvedere, the President said it would

be fitting to find a post for the former prime minister, an old friend of his. Mazowiecki is said to have responded that the matter did not concern just himself, and that in this regard talks would have to be conducted between representatives of their two groups. Walesa replied that he did not see any group around him and proposed to reciprocate the visit. The reciprocal visit, however, has not yet taken place.

### **Conservative-Liberal Party: Agricultural Program**

91EP0244B Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 5-6 Jan 91 p 11

[Article by Edmund Szot: "Agricultural Program of Conservative-Liberal Party: Good, but...Unrealistic"]

[Text] This program will not be liked by neither one of the three Polish Peasant Parties [PSL], nor will it be liked by agricultural circles and Rural Solidarity. It would not be voted for by the Federation of Rural Trade Unions. We are talking here about the program of the Conservative-Liberal Party, a group which puts it straight: "We are against postulates of state interventionism, which are of immediate appeal to farmers, because it will produce permanent underdevelopment in this sector of national economy."

As a countermeasure to state interventionism there should be agricultural development through "the cooperation of individual farmers with the private sector of the market in such areas as supplies, food processing, banking, insurance, and other necessary services.

In other words: no state institutions, no army of state beaurocrats, who, until now, always "knew better" what farmers needed, and with farmer (as well as nonfarmer) money materialized their vision of agriculture. This means [there will be no] no Soviet style numbness and no social market economy, but "American style wrestling."

Here are some major points of the program:

- The basic unit in agriculture is a private farm conceived as a sole proprietary or multiparty corporation.
- State farms are to be privatized by means of: a) reprivatization, that is being returned to previous owners; b) establishment of employee ownership; and c) selling of property for cash or on credit to Polish citizens or private companies. (A portion of the state farm property may be transferred to research and development institutes and agricultural schools.)
- Agricultural cooperatives will be transformed into private partnerships.
- Sales of land and rural real estate should be totally free.
- All agricultural services, trade, production, and financing have to be completely demonopolized and privatized.
- Gmina cooperatives and state agricultural machine stations will be privatized by the State Treasury.

- Personal insurance for farmers will be covered by freely chosen private insurance agencies (the same goes for property and economic risk insurance).
- Prices for agricultural products will be totally free, monopolies will be prosecuted by law (interventionist buying up of agricultural surpluses will, however, be allowed).
- Marketing of agricultural products both internally and abroad will be free. There will be no customs duty for agricultural means of production.
- Food imports may be temporarily limited by customs duties (until the liberalization of agricultural economy by the Common Market and U.S.).
- All farmers will pay the same income tax (20 percent maximum), with all investments deductible.
- Foreign aid will be used for the development of infrastructure in rural areas.

The Conservative-Liberal Party also has its own concepts of organizing agricultural education (among others, there is a proposal for private vocational education of the high school level) and consulting (private consulting centers).

State role in managing agriculture is to be reduced to aiding those farms that augur best for the future. This aid could also be given to agricultural processing industries, agricultural services, and agricultural equipment manufacturers.

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I must admit that being a born, although not practicing, anarchist, I like the program. It limits to a minimum the role of the state. It is based on individual initiative and a free play of market forces. The propositions of the Conservative-Liberal Party, however, cannot be implemented immediately, without enormous social perturbations during the transitional stage. That is why they appear to be a final objective rather than a proposal for immediate implementation.

A minor comment here on state farms. More than 80 percent of state farms land is in the recovered territories and there is really no one to return them to (reprivatize). A reprivatization of the remaining 20 percent is illogical, as large rural estates were being divided already before the war (about 200 thousand hectares per year). Another obstacle is compensation. There are also production reasons against a quick liquidation of state farms. This year grain crops in state farms were 44.5 quintals per hectare, while in individual farms they were 30.4 quintals per hectare.

The remainder of the proposals is acceptable after...educating the society. After all, what would we do with farmers who would get insurance policies from successors of Lech Grobelny?

### **SdRP Debates Its Future, Elections Strategy**

91EP0244C Warsaw TRYBUNA in Polish 21 Jan 91 p 6

[Article by Ewa Rosolak: "One Party of Two Options"]

[Text] A very long and emotional discussion did not go beyond the range of issues presented by Aleksander Kwasniewski in his introductory speech.



The most recurrent issues were relations with the political council being formed now by the president; the party's parliamentary elections strategy; and, something raised by almost every speaker, a formal move by the leader and the general secretary for a vote of confidence for both of them. These themes were sometimes accompanied by comments about: the internal structure of the party (one or two centers to formulate the political direction); the model for SdRP [Social Democracy of the Polish Republic] ("an open party", "a durable formation", "an axis to be the pivotal center for the building of a modern left"); the party base (which social groups may it count on; does its program cover the vital interests of hired labor; does it deal with the problems of miners, or textile female workers; what stand does it take regarding the privatization of the five best production plants); the future of Polish social democracy (ideological—"there is a need for a radical determination of its identity", economic—"why has the discussion about the party's economic program faded away").

### Political Council

The differences of opinion were substantial, and the arguments [were] many. Proponents stated: We have to join it because the president's forum may be useful, especially, since the parliament is lame. "A prerequisite, however, to be met is leaving our hands free," said Zbigniew Zaborowski.

"We should be in the council, at least, because it is high time to appreciate Walesa, the man who implemented everything he undertook," stated Andrzej Brachmanski.

"We should be there in spite of our awareness of the fictitious substance of this assembly," noted Zbigniew Jarmuzek.

Opponents spoke of the unclear idea of this council. Marek Mazurkiewicz maintained: "We are an opposition party, representing the working class, and not fans of government teams. We will not pick up what falls off the master's table". Mieczyslaw Kochanowski tried to convince [the audience] that joining the council will push the SdRP to a political margin. Piotr Andrusiewicz said: "We will not build prestige and trust by participating in this council, especially, because it is a dangerous creation and Lech Walesa has good experience in abandoning unneeded partners."

"Before we join the council," Zbigniew Krzywicki proposed, "we should define our stand as an opposition party. Otherwise, there is danger of being pushed off to the margin. Do we want to be seen by the public opinion as a party dependent on others, or a concessionary party?" Jerzy J. Wiatr was not an enthusiast of the council either. "The council," he said, "consisting of representatives of 200 political parties seems a superfluous monster, and our presence in such an enormous

company of the center and right must raise the question whether we are to play the role of some decorative addition...."

The majority, however, backed the opinion of Ryszard Lewin: "the [presidential] council—yes, but before joining it, let's put down precise conditions. Breaking of these conditions would cause our immediate withdrawal from the council."

### Parliamentary Elections

This key issue created considerable differences among members of the Supreme Council. The dilemma was whether the party should fight in the parliamentary elections, basically, for the success of SdRP, or for the success of the whole left. From the divided opinions there emerged differences in attitudes about election alliances.

"When joining an alliance," Piotr Andrusiewicz warned, "the SdRP must not forget its own strength. We must not be just a well-functioning election machine for others, especially, since we have our own leaders, Aleksander Kwasniewski, Leszek Miller, and Tomasz Nalecz."

Leszek Grzybowski proposed establishing concrete rational conditions for taking part in an electoral coalition. "If someone can take away our electorate or split it, or if someone is able to widen the circle of our supporters, then we join forces with him. When entering into a coalition, however, we have to remember that it must be a coalition of political forces and not an elite, and that we will have to share with those who multiplied the number of our active members."

Prof. Jerzy J. Wiatr tried to set in order the many fears concerning the bases of joining a preelectoral coalition. "Thanks to the principle of 'joint success,' we achieved significant results in the presidential elections. At present, the predominant opinion is that SdRP should join forces with the left before the coming elections, naturally, without kneeling before the PUS [Polish Social Democratic Union] and the PPS [Polish Socialist Party]. If we decide to create a wide front of the left, we should be loyal and serious."

There were also recurrent anxieties of a different nature: how to defend the proportional voting rule, how to guarantee that the values holy to the left be incorporated within the constitution (despite a proportionally small number of parliament deputies from the left), noted deputies Jozef Oleksy and Zbigniew Krzywicki.

There were also demands that the party create a precise economic program before the elections (Antoni Szczuczinski).

### Vote of Confidence

Aleksander Kwasniewski's proposal raised objections. That of Leszek Miller raised objections, but, because it was unexpected, also brought a surprise. Most common questions referred to reasons for this move. Requests for

a withdrawal of this proposal predominated (Ryszard Ulicki, Wiesław Ciesielski, Karol Stryjski, and everyone who followed).

Piotr Andrusiewicz warned against the effects of this *salto mortale* ("How much do we have to pay for such gymnastics—500, 1000 votes?"), and advised the Supreme Council not to accept it.

Among others, Maria Wedzisz and Mieczysław Kochanowski tried to reduce the issue to the level of Warsaw problems (or "inner Warsaw" problems).

Marcin Suwala from the Council of Social-Democratic Youth, with applause from the whole assembly, tried to convince both leaders to give up the move. "Party members in the field," he said, "will die laughing, when we transmit this decision to them," and added that he could not imagine the party without Kwasniewski and Miller.

Zdzisław Jarmuzek considered the chiefs' proposal as creating panic and likely to release bad reactions. He tried to convince [the audience] that at the lower levels there was nothing to undermine the trust of the party leaders.

Many suspected personal animosities. "This is not a personal disagreement," said deputy Jacek Piechota, "but an attempt to confirm the program line of the party represented by Olek Kwasniewski. We have to know where the center of the party's power is. We must have an answer to the question whether the center is constituted by the Supreme Council or the Central Executive Committee."

Representatives of voivodships incessantly tried to make the two leaders feel good about themselves. Aleksander Kwasniewski and Leszek Miller had to listen to an outpouring of compliments. There were also, however, statements of the kind: If Leszek Miller goes, the party has a chance to survive, but if Aleksander Kwasniewski goes, the party will cease to exist (Andrzej Brachmanski, Zdzisław Antoniuk).

A. Kwasniewski and L. Miller had no choice but to withdraw the proposal.

The following participated in the discussion (nine *ad vocem* speakers left out): Ryszard Ulicki, Piotr Andrusiewicz, Antoni Szczuciński, Wiesław Ciesielski, Karol Stryjski, Andrzej Żelazowski, Marcin Suwala, Zdzisław Jarmuzek, Ryszard Lewin, Maria Wedzisz, Mieczysław F. Rakowski, Zbigniew Krzywicki, Sławomir Wiatr, Izabella Sierakowska, Jacek Piechota, Marek Mazurkiewicz, Tadeusz Iwinski, Leszek Grzybowski, Zbigniew Zaborowski, Mieczysław Kochanowski, Andrzej Brachmanski, Tadeusz Trojanowski, Józef Oleksy, Waldemar Matusiewicz, Jerzy J. Wiatr, Zdzisław Antoniuk, Leszek Miller.

## ROMANIA

### Vatra Romaneasca Charter, Activities Discussed

91BA0336A Bucharest "22" in Romanian 15 Feb 91  
p 12

[Article by Victor Iancu: "Vatra Romaneasca"]

[Text] I am convinced that the time has come to have a frank and unhurried discussion about this organization. Together with the party that represents it in Parliament, Vatra Romaneasca [VR] already has a central place in Romanian politics. For all practical purposes, nothing important happens without the prior endorsement of the VR or of the Party of National Unity of the Romanians [PNUR].

So what is the VR? From the very beginning I will not hesitate to admit that I find it very difficult to answer this question. That is because the VR is not so much a (cultural or other) organization, as a very complex political, social, cultural, and psychological phenomenon. At the same time it is a mythical creature with several heads and souls which mostly act together, although not infrequently they try to eliminate each other.

But perhaps before making value judgments I should tell you about my personal experience in the matter. About the middle of January 1990, an important figure of the local police, whom I had long known and respected, called and said he wanted to see me. I invited him to my home. As soon as he arrived he handed me two documents: a) A Program-statute of the freshly established VR; b) A letter addressed by the VR founding members to President Ion Iliescu. He also conveyed to me an invitation to sponsor the opening of a VR branch in Maramures County. I realized that the reason was my reputation as a life-long writer and researcher of the history of the Romanian language. Another consideration was probably the fact that in the first few weeks after the revolution I belonged to the FSN [National Salvation Front] County Council and managed the new local daily, GRAIUL MARAMURESULUI.

The invitation both flattered and worried me. Why I felt flattered must be clear to anyone. The worry, however (or perhaps it would be better to say apprehension), came from the context in which the proposal came. "Why the police?" I repeat, my guest was a person worthy of every respect, and there were a few other people in his institution whom I valued. However, from that fact, to the police sponsoring a cultural organization, there seemed to be a huge, and for me unbreachable gap.

Anyway! I began to study the two documents. First, the statute-program. The VR introduced itself as an apolitical cultural organization whose objective was to restore (or rebuild) the Romanian state destroyed by the old regime through forced collectivization and so-called systematization of localities. It intended to resume ancient traditions and customs, Christian morality, and peasant

common sense. The VR then declared itself the continuator of the Transylvanian School and of Astra, struggling to defend the territorial integrity of the Romanian state and proving our uninterrupted continuity in this land. The program-statute, of course, envisaged other provisions, too, but the above-mentioned points were the most central.

I find it difficult to describe my state of mind after reading the first document. There may be only one word to properly describe it: confusion. As you must realize, a Transylvanian intellectual, born in the western mountains, and who on top of it is named Iancu and has spent a lifetime studying the Romanian language, and especially its history, such an intellectual cannot remain insensitive to the sound of collocations and words like "Transylvanian School," "Astra," "uninterrupted continuity..." or "rebirth of the moral values of the Romanian village." On the other hand, when you read that an organization that calls itself cultural intends to defend the territorial integrity of the state, you cannot help wondering. And the wondering quickly turns into confusion—especially when the essentially political objective becomes central in another document of the same organization. This time I am referring to the letter addressed to the chairman of the FSN Council. I will ignore the bellicose tone of the letter and note instead the fact that the letter in question raised solely political issues, even though some of them were draped in supposedly cultural garb.

That being the situation, all I could do was claim that I was not available and provided a few names of honorable people who could assume the initiative in question. A few days later, one of those people became the chairman of the VR county branch.

The achievements attained by the VR since its establishment are plain for anyone to see. What I would like to point out from the start is the fact that precisely the cultural objectives—generous as they actually were—were completely or almost completely ignored—although there was room to spare for lots of Astra-type literary circles as well as for ethnological-folkloristic expeditions to unearth yet unexplored treasures of folk culture, or choral "reunions" like at the time of Vidu and Bradiceanu! Of course, the VR did organize shows with renowned singers like Veta Biris, Nicolae Furdui (who also calls himself Iancu), Florica Bradu, Maria Butanciu, and many others. It also organized commemorative events like the one in Tebea, or those in Ip and Trasnea. We wonder whether those shows and events are any different from similar "actions" organized in the past 10-12 years within the "generous" framework of the "Hymn to Romania." True, there were no lyrics about the Hero of the Nation or the Mother of the nation. But I think that is too little as long as other lyrics, manufactured during the "golden era" to illustrate the "original" concept of the genius of Scornicești, remain firmly ensconced in the repertoire of groups and singers that crisscross the country from one end to the other. We all know with what fervor and satisfaction the Hero of the

Nation—who had overnight become a poet, too—used to "adapt" our people's most beloved lyrics, beloved precisely because of their contents. Under the quill of the bard of Scornicești (helped by others, too?), "Live freely in our country" became "Live as masters in our country." Why the change? Naturally, because any tyrant abhors freedom. But not only that. His entire life Ceausescu dreamed of being master. In other words, of ruling over others. Because there is no master without servants. Antonyms are mutual conditions: good/bad, warm/cold, ascend/descend. Hence, master/servant. If that is the significance of master, why have VR and Romanian Television shows kept the "adapted" version of the chorus of a known and loved patriotic song: "We are Romanians, we are Romanians!/We will eternally be the masters here!"? Why not return to the original version, the one that struck roots in the consciousness of our nation: "We are Romanians, we are Romanians/We are Traian's descendants!" Even after the revolution we continue to view the Romans as invaders, instead of being proud of being their descendants, their only descendants in this part of Europe. Or do we just love to feel masters in a Europe that is inexorably advancing toward a "common house" of freedom? In fact, whom do we want to rule and why? Are we not satisfied with the status of free individuals and a free nation?

Let us discuss other aspects of the VR program and practical actions. I ask myself and I ask you as a mass cultural organization, what is the point in promoting studies about continuity? Do you have a foundation to finance such studies? Or are you thinking of reviving the "Hymn to Romania?" Until very recently pioneer organizations studies made valuable discoveries in this area. I remember a play showed on TV as recently as 1989, in which a group of pioneers made some sensational discoveries in the area of archeology and toponymy: some Dacian vases and the toponymic Listava, which of course point to the old Dacian name of Lisidava. Is this the kind of science we want to promote in the future? I think it is at least odd that a mass cultural union should pursue objectives that by right belong to the Academy, universities, or research institutes, the only ones capable of conducting such investigations. Studying the ethnic origins of the Romanians and their continuity throughout the land that has been theirs since ancient times, is a serious scientific topic that can be studied only by specially trained experts in the areas of history, language history, toponymy, onomastics, philology, etc. Dilettantism has no place here. It is profoundly damaging and can only harm such a delicate issue (as it did during the Ceausescu period). Not to mention the fact that the wording of some statements contained in the VR's statute-program are downright insulting to the Academy, the universities, and the unions of artists. Are we to understand that those institutions are not Romanian? Do they not endeavor to work, and are they not effectively working to promote Romanian science and culture? Someone else has to come and do their job? Can someone else engage in science in place of the experts at the universities, the Academy, the scientific societies,

and the institutes of research? Can someone else engage in literature in place of the writers, in music in place of the musicians, and in art in place of the painters and sculptors? Prior to 22 December 1989 the answer could be: yes (and that was unfortunately the official answer). Today, however...Of course, those who said yes yesterday may still do so today. We, however, are not obligated to listen to them.

Which brings me to the most delicate element in the activities of the VR. Although it declared and continues to declare itself a "cultural union" and an apolitical organization, its major concerns are political.

1. In March 1990 the VR conducted negotiations in Tirgu Mures on behalf of the Romanian nationality with the UDMR [Democratic Union of Romanian Magyars] to settle ethnic conflicts between Romanians and Hungarians. That was a clearly political act. Moreover, it was also a deceptive act. Who empowered the VR to negotiate in the name of the entire Romanian people or even in the name of the Romanians in Transylvania? Since when did the Romanian people cease being represented in every instance by the president, the government, or Parliament? I, for one, cannot agree that anyone other than the president, the government, Parliament, or the leadership of my party speak in my behalf. In point of fact, this is one of the elementary rules of democracy. When a party (or a...cultural organization) substitutes itself for all the other parties and for the state institutions, then the country in question can no longer claim to be democratic; it is back to having a single party (whether that party is essentially fascist, communist, or a hybrid of the two).

There is another important point we must not forget. Today the VR (PNUR) declares itself the FSN's "trustworthy ally." However, its vocation is not for a last alliance, only for a temporary one. There even exists a theory of the "temporary ally," of which the communists were, and continue to be, proud. Their vocation was, and remains, the grabbing of the entire power and elimination of all rivals: in one word—totalitarianism. The FSN would do well not to forget this sad but elementary truth. Especially since already the majority FSN arm in Parliament all too often expresses the will of the PNUR minority.

2. Whenever the UDMR or other bodies of the Magyar minority organize central or local talks with state authorities, the VR is there to censor, admonish, and advise. Naturally, in the name of the ethnic majority. And more often than not, the legitimate demands of the minority are not met or are partially met. Once again, the Romanians are not represented by the government, or Parliament, or the prefect's office, but by the VR or the PNUR. How long, my dear conationals? How long will we trust ourselves into the hands of an organization that has on its own arrogated the right to represent us in the most important matters of government? We know what happened to us in the 42-43 years of single representation, when the party who arrogated that right called itself "the

vital center of the entire nation," "the conscience and soul of all the people," "the core of wisdom from which emanate..." "the leading political force of the entire society," etc.

3. The big shows, celebrations, and commemorations initiated and sponsored by the VR are not aimed at restoring the truth about milestones in the history of our nation, a truth that was concealed or falsified in the past four and a half decades, nor at soothing the pain we still feel. The commemorations and shows we are talking about have different purposes. They have to do with accumulating political capital, maintaining a tense atmosphere in the society, and exacerbating hatred and violence, so useful for dark political maneuvers. Were that not the truth, we wonder why the VR and the PNUR organized events in Parliament, on TV, in the press, etc., to mark the Vienna Diktat, glossing over the other mutilation of the national territory that occurred also in 1940, a mere two months before the Vienna Diktat? On 28 June 1940 we lost a territory twice as large as northern Transylvania, where approximately three million Romanians lived (and still live), twice as many as in northern Transylvania. That territory is today ruled by a foreign power, while northern Transylvania returned to the motherland 46 years ago. I ask you now: Which wound is more painful to us, the one that healed 46 years ago, or the one that is still open and bleeding to this day? The question is, of course, rhetorical, but not to the organizers of the commemoration of the Vienna Diktat. All that exists for them are the four years of Horthyst persecutions in which 400-500 Romanians lost their lives like true martyrs in northern Transylvania. The organizers seem to not have heard of the Stalinist genocide in which hundreds of thousands of Romanians from Bessarabia and northern Bukovina were deported to Siberia, the Far East, the coal mines of Vorkuta, or beyond the Polar Circle. To this day we still don't know how many perished in those remote days, but anyway, no one cites figures under 100,000. Were they not also Romanians? Similarly, we should ask ourselves whether those who disappeared at the Canal, Baia Sprie, Aiud, Sighetul Marmatiei, and other communist jails, and whose numbers rise into several hundreds of thousands, were not Romanians, too. I have not heard of any campaign to mark their memory, nor of any demand to punish those guilty of that terrible genocide. So it is not the fate of Romanians, not their real sufferings that interest the organizers of shows and commemorative events, but something else: precisely what interested their predecessor, Nicolae Ceausescu, namely, gaining cheap political capital by exploiting the Romanians' good-faith and unwavering love of the fatherland. One thing is more than clear to me: northern Transylvania, lost in 1940, was recovered four years later. But this is precisely what the supporters of diversion talk about every day and on an increasingly alarming tone. For what purpose? Is Transylvania in danger? Is anyone trying to take it away from us? "Of course," say the diversionists. "Read the press of the Hungarian exiles. Read even articles in the Budapest press." A handful of



extremists, a handful of nostalgic characters facing 23 million Romanians, plus the rest of Europe, who in 1975 in Helsinki decided that the frontiers established after World War II are inviolable. Not to mention the fact that this brazen propaganda harms our good name abroad. We will not be able to convince the French or the Belgians that it is natural to stage a press campaign against a country that between 1940-44 ruled a part of our national territory but which, since the signing of the Peace Treaty in 1946, never laid any claims to that territory, on the contrary, it officially declared that it had no territorial claims on Romania. Of course, we can reply that we do not trust official declarations. However, Europe today has no time for putative charges.

There is a good deal more to be said. For example, the fact that the majority of VR members (I am sure of that, although I do not have the results of any sociological study at hand) continue to believe that their organization is the continuation of the Transylvanian School, and Astra, and nothing more. And what can be more patriotic than the Transylvanian School, than Astra, than the ideals of the 1848 Revolution? Unfortunately, however, these worthy conationals forget that ideals dear to our hearts can be diverted toward objectives alien to the fundamental, immediate, and long-term interests of the Romanian people. Those interests are freedom, democracy, economic recovery, a decent standard of living, cultural and moral reconstruction, and a return to the European community with full rights. Freedom and prosperity can be restored only in a democratic country governed by justice and law, where the government governs, parliament legislates, and the courts try and pronounce sentences according to those laws, where the people freely organize in political parties, trade unions, and cultural associations, and where individuals enjoy all the human and civic rights, and an unlimited area for asserting their aptitudes and capabilities, where each institution is in its place and above them all is the human being with his inviolable dignity, his aspirations, and his hopes.

### **Securitate Officials, Vatra Link Alleged**

91BA0321A Bucharest BARICADA in Romanian  
12 Feb 91 pp 4, 5

[Article by Victor Antonescu: "From the Secret Files of the Securitate"]

[Text] This is the first article in a series of revelations aimed at lifting the veil of mystery hovering over the daily backstage work of our beloved Securitate. We will penetrate the terrifying world of informers, collaborators, and stool pigeons. We will see just how easy it was for some to sell themselves for a job, an extra salary, or a tourist passport to the West. We will see how lives were crushed by an organization that earned itself a genuinely criminal note in history. And we begin it in the belief that the RIS [Romanian Intelligence Service] will not now nor in the future adopt the working methods of the

miserable and, we hope, defunct organization: intercepting telephones conversations, reading letters, locking up people, arrests, murders disguised as traffic accidents, and so forth. Our apprehensions concerning an institution that works with the same files, and naturally the same informers, stem—"Honni soit qui mal y pense!" ["Evil to those who evil think!"]—from something that none of us wanted, namely the fact that the Securitate has been cosmetically touched up to put us at ease, all of us. Moreover, since the old Securitate represented only the interests of the RCP [Romanian Communist Party], we wouldn't like the new RIS to become the panacea of the new authorities. The following revelations made by an active RIS officer serve to prove that things are improving. The officer in question, like more than a few of his colleagues, is not happy about putting the RIS at the service of one party, be it even the government party. We hereby print the taped statement of RIS officer Victor Antonescu (stressing that we did not make any change in the text). Needless to say, Victor Antonescu is a pseudonym; our interviewee also asked us not to reveal his rank, either, in order to ensure complete anonymity.

### **Securitate Infiltrates Intelligentsia**

"In this first chapter, I would like to talk about an important figure in the municipality of Oradea, partly to show how the Securitate managed to infiltrate certain circles of intellectuals and to strangle any opportunity for free thought; on the other hand, by shedding light on the person in question we can once again demonstrate what kind of people were hired after the coup of December 1989 to work for government newspapers.

### **Information Club**

Constantin Malinas graduated from the School of Philology of Cluj, Russian section, and in 1968 came to Oradea. Although he was not even a trade union member, he was appointed director of the Trade Unions Culture Club [TUCC] (a communist institution in the fullest sense of the word). Here I would like to make a small digression: Constantin Malinas was at school with Ioan Popovici, a self-styled professor, although he never held any chair. Ioan Popovici was a close friend of Securitate generals Baleanu (former commander of the Bihor County Securitate) and Ristea. The person who appointed Constantin Malinas TUCC director was the (then) propaganda chief for the county of Bihor, Laszlo Fodor. He was none other than the uncle of the other Laszlo Fodor, the Securitate captain who was to be stabbed to death (apparently in payment for what L.F. did during the 1953-56 period) in a wine cellar in an Oradea vineyard. Laszlo Fodor and his deputy Ioan Vulturar closely watched the work of the freshly appointed director as well as that of the TUCC, which was viewed as both a bastion of communist education and as a convenient place for gathering information. In order to beef up his income, Constantin Malinas immediately became a conscientious and zealous Securitate collaborator. In the beginning Malinas worked with First Lieutenant Mocanu (in the wake of a purge ordered by

Colonel Micu, Mocanu was demoted to deputy manager of the bar Felix); later he closely collaborated with Major Gabor.

Before 22 December 1989 Constantin Malinas used to see Maj. Gabor almost every day; he fed him information about the activities of various intellectuals which he collected personally at the county library, the bar "La Nuele" (a traditional meeting place for Oradea intellectuals), and from the Iosif Vulcan Memorial Museum (a covert Securitate place).

To work more efficiently, Constantin Malinas decided to recruit a close aide, namely Zenobiu Domide, an employee of the same culture club. The latter was partly blackmailed into working for the Securitate. Domide, who had a heart condition, was promised by Malinas that his application for a ground floor apartment would be resolved. His main task was to monitor the activities of the Korunk drama group at the culture club. As a result, many of the Korunk members were closely followed by the Securitate. As for Constantin Malinas, his job was to record the discussions of more liberal intellectuals. For that purpose he formed a genuine working trio, together with Viorel Horj and Blaga Mihoc. The first, a poetaster, worked as an inspector with the Committee for Socialist Culture and Education, while the second was a museum curator and the unofficial director of the Iosif Vulcan Memorial Museum (the museum has only one slot for a curator and one for a female supervisor). As can be imagined, both were conscientious Securitate informers.

#### Suspicious Transfer to Library

Later, because of a blunder, at the order of Ioan Vulturar (who had become propaganda chief for Bihor), Constantin Malinas was transferred to the county library. He was hoping to become its director, but because of his education (Russian language graduate), he only made it to chief librarian. In that capacity Constantin Malinas became involved in seizing books and documents belonging to the Uniate Church. In the course of that job Constantin Malinas received vital information on the situation prevailing in parishes from the former ordained priest Maxim, who reneged his Greek-Catholic faith and became a Securitate collaborator. As a cover, the priest Maxim was employed at the State Archives, whose director was none other than Ioan Popovici. Superfluous to point out that the State Archives were an almost overt annex of the Securitate. The priest Maxim, wishing to serve his new masters as faithfully as possible, furnished Constantin Malinas with exhaustive information on the location of repositories of old books of the Uniate Church. Note that once confiscated, the material was sent to the State Archives, but it was not put on file there. The documents were entered under a special category ("dead stock," which could not be seen even with the most special waiver. The books, on the other hand, were either destroyed or made their way to the private libraries of Securitate members. At the library

Constantin Malinas recruited other collaborators, like Copil, or Mmes. Ilies and Tarczli. Information was pouring in daily.

Malinas failed to secure the hotly desired position of director of the county library because of a "blunder." About the mid 1980's Constantin Malinas went on a trip to Tinca with members of the Writers Union, among them D. R. Popescu (a notorious security official), Andritoiu, Gheorghe Grigurcu, Vlad Spoiala, and others. After a few glasses of wine (our Constantin Malinas being a close follower of Bacchus), a genuine fight broke out, in which Constantin Malinas landed D. R. Popescu a few good ones. The incident apparently began because of the two men's simultaneous advances to a minor. The fact is that D. R. Popescu complained about the incident to the "higher ups." Of course, in the end the incident was settled among the "family" (i.e., the Securitate), but Constantin Malinas was left with a visible stain. (Let us not forget that D. R. Popescu was N. Ceausescu's personal protegee). At the same time, Constantin Malinas was caught in an affair involving influence peddling (he had promised a young woman a job at the county library in exchange for 15,000 lei, but failed to keep his promise). Details about the case can be obtained from Ioan Tincut, former chief of the Oradea party cabinet, who was in fact an honest man. Note also that the same D. R. Popescu, who had suffered some traumas in the "confrontation" with Malinas, took advantage of that influence peddling incident to try to finish Constantin Malinas.

#### The Museum—A Secret Securitate Facility

To survive after that double scandal, Constantin Malinas increased his collaboration with Maj. Gabor of the Securitate (currently RIS). During that period he was intensively used to gather information inside the Iosif Vulcan Memorial Museum. With the approval of Sever Dumitrescu, director of the Tarii Crisurilor Museum, Curator Blaga Mihoc turned the inner area into a meeting place for security personnel, including CI [Information Council] members Bonca, Avram, Rudi, and Vesa; thus, the museum became not only a meeting place, but also the venue for parties and amorous encounters. No need to spell out the "memorial" character that the museum preserved in those circumstances. A small digression about the director of the Tarii Crisurilor Museum, who of course was not in the dark about the goings on at the Vulcan museum. Although he did not do his military service in the Securitate, he held the rank of major in reserve and was drawing a second salary directly out of Communist Party funds. This director served as a loyal tool of the Securitate. A group made up of Blaga Mihoc, Constantin Malinas, Viorel Horj, Adrian Copaceanu, and Catalin Susu used to meet frequently at the Vulcan Museum. They were all Securitate collaborators whose mission was to draw "nonconformist" intellectuals into discussions. I want to point out that Blaga Mihoc is still under serious accusations for influence peddling about acceptance at the Sanitary Lyceum. The quasi-official meetings at the Vulcan

Museum were held with the knowledge of Gheorghe Suciu, former chairman of the Committee for Socialist Culture and Education for Bihor County.

Thanks to his activities and reports, Constantin Malinas was directly responsible for the hiring and firing of professors, teachers, preschool staff, etc. The lives of hundreds of persons were thus marked by the activities of this nefarious person. Another Malinas acolyte was the English teacher Molnar (he and his brother were recruited for the Securitate by Captain Mircea Danila, who was later purged following a hijacking from the airport of Oradea). Molnar eventually made it to Heidelberg, FRG, as a CI spy. Malinas continued his collaboration with the priest Maxim (who in 1948 was sentenced to 20 years in prison for insubordination and was released in 1964) who, against all evidence, was hired at the State Archives one month after his release from prison. Evidently the priest Maxim was hired at the order of the Securitate, now that he was determined to betray his own church. He was hired at the State Archives (practically managed by Gen. Ristea of the Securitate and later by Gen. Baleanu) as chief archivist also because, as a graduate of the College of Epigraphy and Archives of Rome, he was the only one capable of deciphering the documents stolen from the Uniate Church (with one exception, the other employees were Russian language graduates). The latter had been recruited in the university as Securitate collaborators. Their professional training was extremely limited. Thus, Maxim was the professional backbone of the State Archives. It seems that Maxim was not sentenced for a political crime in 1948 but for a penal felony, being apparently homosexual. In view of the fact that he had been an ordained priest and a friend of Father Tautu, who took refuge at the Vatican, his penal sentence blended into the political. At that time it was not very important for what people were sentenced.

#### A Spy at the Vatican

Constantin Malinas also has a brother, whose development is more than interesting. From the very beginning Malinas steered his brother toward Maxim's sphere of influence, something that turned out useful because, whatever else, Maxim was an erudite man. Malinas's brother was apparently born with homosexual inclinations and found in Maxim fertile grounds for practicing his deviation. Maxim guided Malinas's brother toward orthodoxy; consequently, the latter enrolled at the Theological Seminary in Sibiu. After graduating the seminary, Malinas's brother worked as librarian at the Orthodox Bishopric in Oradea. As such, Malinas's brother resumed relations with the priest Maxim, including intimate relations in Maxim's apartment on Iza St. in Oradea. Malinas recruited his own brother for the Securitate; later, thanks to the Securitate, he managed to send him to Vienna for postgraduate theological studies. We must stress that unlike Malinas, his brother was a handsome and learned young man. In Vienna, however, a big surprise: Malinas's brother defected from the Orthodox Church and became a Greek-Catholic! Note that that

was merely a pro forma defection, actually a Securitate maneuver designed to infiltrate him into Vatican circles. The mission Malinas's brother had was to report back from the Holy See. At the Vatican, he tried to ingratiate himself with Father Tautu, the author of a history in 11 volumes of the Uniate Church in Transylvania. Of course, the latter did not suspect that he was dealing with a Securitate agent. In point of fact, the Vatican still doesn't know about that agent of the Romanian secret police infiltrated in its midst. Constantin Malinas himself served as liaison between the Vatican and Bucharest; he was giving the information to Maj. Gabor and the latter was relaying it to Directorate V in Bucharest.

After the coup of December 1989, Malinas's brother returned to Romania. His mission was to gather information on the Uniate Church and, of course, to try to neutralize the effects of the reestablishment of the Uniate Church and to undermine the VIATA CRISTINA magazine published in Cluj. He didn't manage to get any rank but his reports on the Uniate Church in the area of Counties Cluj, Satu Mare, and Bihor have been relayed to the RIS through Constantin Malinas. After having done so, he once again retreated to the Vatican where he continues his job at the Fidei Broadcast in Romanian.

#### Border Crossing Frame-Ups

Equally interesting was the fact that Constantin Malinas had a friend at CFR [Romanian Railroads], Adrian Copaceanu, who during 1988-89 worked right on the border. In reality he was a "courier;" at a signal from Malinas he would arrange for border crossings in a border hut at Episcopia Bihor. However, people who paid money to Malinas didn't know that once they arrived at the hut they were seized and handed over to the Securitate. Copaceanu was rewarded for those services with a luxurious apartment, obtained by means of false documents, as can be verified at the IJCL [expansion not known] Oradea. Also through Copaceanu, Malinas found out that in the summer of 1989 railway workers at Episcopia Bihor manufactured hand-made weapons to be used in a future anticommunist insurrection. They were of course handed over to the Securitate. Malinas reported those people (who were mostly from the villages Bors and Santaule Mare) to the same Maj. Gabor in July-August 1989. Note that one of these "cottage" arms manufacturers, although under arrest, was later shot and his body was tossed on the strip of border between Romania and Hungary, in an attempt to make it look as though he had been trying to cross the border illegally. Malinas collaborated with a certain Anton Lorincz, also of the CFR, who for 5,000 lei would organize additional border "crossings." Once he had the money, Lorincz would report the names of the people in question to Malinas, and they were then arrested in front of Romtrans in Episcopia Bihor.

#### Infiltration at Crisana

After the coup d'etat of December 1989, Constantin Malinas was steered by the RIS toward the former

Communist Party organ CRISANA. There he was given charge of the Confessional Column; one of the purposes for appointing Constantin Malinas to that column was precisely to spread rumors about the Uniate Church by every possible means. It is no secret that one of the major tasks given to the RIS by President Iliescu is to "elegantly" silence the Uniate Church. By appointing Malinas and other trusted RIS men at CRISANA, the present authorities are trying to demonstrate that they are endeavoring to keep the press under control. One of the concrete tasks of the RIS is precisely that, namely to keep the press under tight control. Thus, the fact that practically the entire editorial staff of Oradea's PHOENIX was replaced and its orientation was bent 180 degrees (from violently anticommunist to crypto-communist-security official) was solely the work of the Securitate. That institution was no stranger, either, to the fact that the GAZETA DE VEST, the only Romanian language opposition newspaper in Bihor, had moderated its tone. Going back to Constantin Malinas: He was also appointed editor of CELE TREI CRISURI, the publication of Vatra Romaneasca. In point of fact, Constantin Malinas is one of the founding members of the nationalist organization Vatra Romaneasca.

#### Epilogue?!

I want to conclude by expressing my hope that this man, Constantin Malinas, will not be tossed to the public as prey, but on the contrary, that the current authorities, FSN [National Salvation Front] as they may be, will assume the moral and legal obligation to judge him in a penal trial. Constantin Malinas is guilty not only of swindles and influence peddling; he is primarily guilty of destroying, perhaps irreparably, dozens and hundreds of lives. Hundreds of people can bear witness against him.

#### Alleged Former Securitate Names, Phone Numbers

91BA0299A Bucharest ROMANIA LIBERA  
in Romanian 17 Jan 91 p 2

[Article by Petre Mihai Bacanu: "Let's Forgive Them!"]

[Text] The president doesn't want to, neither does Parliament, and the RIS [Romanian Intelligence Service] even less. The Army is hesitating: Should it or should it not publish the list of former Securitate agents? Not so much in order to begin a witch hunt but to find out who shot and who maltreated the 2,000 youths taken to Jilava. That is the cause of all our postrevolutionary troubles.

The authorities lean toward saying: Let's forget what happened during the Revolution, let's wipe the slate clean and forgive them. All very well, we may even forgive them because it is human, but let's first know who they were, then find them jobs instead of letting them take refuge either with the president, or the government, or the RIS, or the Institute of World Economy, or other similar places cosmetically made presentable.

Because we must find out for certain whether people who have entered the service of the new authorities nurture the belief or conviction that the old regime curtailed the freedom of their fellowmen and at times even destroyed them both physically and emotionally. The activities of the Securitate must be examined as a whole and on the basis of actual facts. We don't need to put Iulian Vlad on trial for his communist beliefs, but we do need to put the Securitate on trial for its crimes against human dignity.

Forgiveness is as close to human nature as possible but we must know whom we're forgiving and for what.

How do we make Securitate members account for their deeds, on the basis of what principles? The Penal Code, which they know by heart, has enough loopholes in it that they can use, because the judicial system has changed, too. Only a Nueremberg trial could handle the responsibility of the Securitate, otherwise they will escape punishment at least for their political and moral responsibility.

There is no doubt that the Securitate was working hand in hand with the party. Except that it was the Securitate that had the means to curtail freedom, to destroy any opposition, to throw opponents into jail, and even to ship them to the other world.

Don't think that we're not giving a thought to the children left without a father because Securitate members (guilty of innocent) fell, too, in the Revolution. They shouldn't have died either, although many of them desperately hung on to the old power. No one wishes them dead. They have to live in this country, too, and fit into the new democratic structures. Except that, you see, the Securitate was the root of all evil. Because they held power and did with our lives as they pleased. They served the interests of the Communist Party, no doubt about that, but they did it out of servility.

If we forgive without letting each one of them know that they've been forgiven, then our human gesture is nothing but a blank check, it's giving them permission to do their dirty work unchecked, any time, and even to view themselves as active participants in political life.

We want to achieve a state of law based on democratic principles. That is why we shouldn't subject the Securitate members to their own principles, but we must know what they did and what irrational decisions they took against the people and against freedoms.

Since we don't know exactly who shot and who tortured, it's better to forgive than to sentence innocent people. So let's forgive them and break out of this devilish circle of revenge and counterrevenge, but let them come forward of their own accord and tell us what they did, who shot and who tortured. A list of Securitate members is necessary precisely in order to preempt conflicts among citizens and untrue statements about individuals, and to ensure that we don't attribute to some crimes they didn't commit while losing sight of the real executioners.



Today we will publish a list of Securitate members taken from the diary of one who worked for the Bucharest Municipal Securitate. As it will be noted, he was in direct contact with party leaders. Moreover, the owner of the diary (posted 15/24 "Dinu") was also adding up his income for the month of July 1986. He was in a high bracket (32); rank allowances are given in the Army, too, but not, we think, to the tune of 1,450 lei; however, we found out that the Securitate also had "steps" (2,196 lei), plus command [payment]; altogether, a securitate lieutenant colonel was getting a humble salary of 8,837 lei.

By the time the Army showed up, beginning on the morning of 22 [December], documents and files were massively torched in all the rooms where there was no threat of fire (kitchens, sanitary facilities, basements). The only documents that verify the difference between what existed and what was found are the incoming and outgoing records of each unit. The "Accounts" also had cards according to subject and institution date. The gist of the information was preserved... And of course, there were the computers, the largest being located in the Batistei St. (the national center of Romanian espionage). A lot has been burned, but we still got some things.

And now here is are the contents of the diary of a Securitate man who lives among us undisturbed. In brackets are phone numbers, most of them "short." There are a few members of the nomenklatura among the security officials.

"Avram (3640), Gen. Bucurescu (353), Col. Batenaru (617), Maj. Gen. Alexei (172), Gen. Aron Bordea (home 4452) (367), Col. Apostol (750), Col. Barbulescu (658), Col. Gh. Ardeleanu USLA [Union of Army Free Trade Unions] (481), Gen. Epifanie Amohanoaie (707), Alecu Paraschiv (610), T. Secretar Croitoru (302), Maj. Gen. R. Cimpeanu (726), Col. Cristea (V) (198), N.C. (102), E.C. (396), E. Bobu (250), Nicu Ceausescu School (698), Ciobanu (544)(763), Comrade Secretary Coman (247), Barbu Petrescu (151) (154288), Comrade Secretary I. Coman (247), Dumitru Apostoiu (261), Comrade Caldaruse—deputy minister at MICM [Ministry of Machinebuilding Industry] (811), Maj. Gen. Danescu (278), Comrade Deputy Minister Dima (278), Col. Florin Dobre (679), C. Dascalescu (156), Aurel Duma (216)(605), Dicu Nicolae (130085, 756), Deputy Prosecutor General Gh. Diaconescu (125), FAUR (3646), Lt. Col. Goran (657), Gen. Ghenoiu (566), Dan Georgescu (563), Col. Hostiuc (195)(765)(6299), Col. Hotoboc (750), Gen. Ghita (771), Ianculescu (616)(125), Col. Ionescu (0650, 630), Col. Ionescu (225)(615), Col. Iamandi (672), Iordache (vice chairman)(667), Ana Muresan (299), T. Milea (262), Gen. Moise (853), T. Gen. Mot (445), Gen. Luigi Martis (773), Col. Maita (669), Gen. Emil Macri (633), Col. "S" Marinescu (676), Gen. Manea—passports (374), Gen. Mortoiu (636), Gen. Mihalea (725), Gen. Marcu (737), M. Maieran [name indistinct] (615), Vladulescu (151221, 154288, 154413), O.S. D.S.S. (729, 799), Constantin Olteanu (230), Maj. Gen. Nuta (258), Maj. Gen. Neculcioiu (655, 1800), Lt. Col. Nicolici (690), Gen. Neagoe (619), Comrade First

Deputy Chairman Necsoiu (282)(502), Comrade Petrescu (760), Col. Plesa (615), MEI [Ministry of Education and Instruction] Deputy Comrade Niclau (408), Prosecutor General Popovici (327), DIR. PIROSCA (689), Comrade Col. Pana (521), Ratiu (688), Col. Radu Remus (400), Lt. Col. Rogojanu—CC secretary (605), Brig. Gen. Stamatoiu (171), Gen. Stan (321), Military Section (521), Col. Stefan Stanculescu (4337, 665), Comrade Smeu (597, 2272, 197), Tencu (342), Toader (2205), Tudor Stanica (369), Maj. Ceausu (639), Stoian—Foreign Ministry (510), Col. Dumitru Tatu (6040), Comrade Minister of Education Teoran (146), Gen. Vasile Gheorghe—Directorate 4 (634), Col. Vasile Gheorghe—Directorate 6 (614) (home 2150), Gen. Vlad (346), Col. Valeanu (607, 544/503/B), Comrade Secretary Smeu (597)."

We believe you recognized N.C. [Nicolae Ceausescu] and E.C. [Elena Ceausescu]. Not even the closest security officials dared write down their full name. A list of lower-ranking Securitate members will soon follow.

### Civic Alliance Founding Members Interviewed

91BA0294A Bucharest ROMANIA LIBERA  
in Romanian 17 Jan 91 p 5

[Interview with Gabriel Andreescu and Iulian Cornateanu by Florin Gabriel Marculescu; place and date not given: "If the Civic Alliance Fails, No One Else Will Manage To Avert the Cataclysm"—first two paragraphs are ROMANIA LIBERA introductory biographies]

[Text] Gabriel Andreescu—Born 1952, physicist, dissident of international repute during the Ceausescu dictatorship; author of outstanding material, analyses, and studies published abroad; arrested for treason in 1967, amnestied on 26 January 1988. Continued his activities unintimidated, sending open letters to human rights conferences in Krakow (1988) and Paris (1989). Went on a hunger strike in June 1989. Gave interviews to foreign reporters. Was placed under house arrest in Bucharest in September 1989, then shortly afterward in Buzau, as of October. Arrested in Buzau on 22 November 1989 and driven in a military vehicle to 39 Calea Rahovei. Released the same afternoon. A member of the FSN [National Salvation Front] Council and later of the PNUC [Provisional National Unity Council], from which he resigned at the end of April 1990. A founding member of the GDS [Group for Social Dialogue]; member of the Coordination Group of the National Alliance for the Proclamation of Timisoara; chairman of the Association for Human Rights in Romania—Helsinki Committee. Journalistic activities. Founding member of the Civic Alliance [CA]. Winner of the Human Rights Monitor Award.

Iulian Cornateanu—Born 1949; engineer with the National Institute of Thermal Engines; deputy chairman of GID [Independent Group for Democracy]; first hunger striker after the Revolution in protest against the Front's decision to run in the elections and against the

counterdemonstration of 29 January 1990. One of the main founders and builders of the CA.

[Marculescu] It has been only two months since the establishment of the CA. What is the current status of its organization?

[Cornateanu] The Alliance is not the kind of organization whose structure can be reduced to a standard diagram. Because of its multiple ramifications and its involvement in many political, economic, social, and cultural areas, the structure of the Alliance had to be tailored to both current realities and to hammering out a long-term strategy. Its national leadership is exercised by a Steering Council made up of 27 members elected at the national conference, who are joined by representatives of county branches. Activities are carried out under three departments: Operation Sections, a Civic Academy, and Citizens' Department. The Operation Sections deal with technical matters such as personnel, bookkeeping, administration, mass media, etc. They are also in charge of establishing regional branches and economic sections. The Civic Academy incorporates commissions of experts in charge of hammering out CA programs (economic, juridical, ecological, social, cultural, etc.). Similarly, the Academy organizes activities to popularize historical truth and the concepts of democracy and civic liberties. And finally, the Citizens Department ensures links between the CA and the people. We plan to establish offices which will examine abuses, something that is extremely important especially in small towns and villages, where life continues to be managed by the same local henchmen. We also plan to take public opinion polls and to offer legal or social assistance. So far the Civic Academy and some operation sections have already begun their activities.

[Marculescu] A very large number of people who joined the Alliance complain that their help is not requested. They are eager to make an actual contribution to its activities, but they haven't yet been involved...

[Cornateanu] It is true that, because of the huge volume of data that had to be sorted out, there have been delays in contacting broader groups of members. However, much of the delay was caused by difficulties in finding appropriate premises and even printing identity documents. Our supporters must also realize that sporadic participation in the organization and operation of the Alliance is not sufficient and that only ongoing participation in such activities can help set in motion these large resources. Soon, however, the present difficulties will be overcome and we will directly solicit [help].

[Marculescu] Have there been changes in the leadership of the Alliance?

[Cornateanu] The Steering Council elected Mr. Mihai Sora as chairman for the next term; Mr. Gabriel Andreescu and Mrs. Ana Blandiana were elected vice chairmen, and I am the secretary. Chairman of the Civic Academy is University Professor Emil Constantinescu, prorector of the University of Bucharest. Each one of the

members of the Coordination Committee has a precise task in the management of the sections.

[Marculescu] ROMANIA LIBERA is viewed by some as the newspaper of the CA, something that is not correct. What are your plans regarding the press?

[Andreescu] The CA intends to bring out its own newspaper which will probably be called ALIANTA. Note that some Alliance branches have paved the way for launching their own newspapers; for example, the weekly of the Prahova branch is at an advanced stage. However, it is utterly abnormal that groups of persons should introduce private newspapers in the name of the Alliance. ALIANTA CIVICA of Cluj must be mentioned along this line. We want to stress that at the moment we don't have our own publication.

[Marculescu] Hundreds of thousands of Bucharest residents participated in the 15 November CA meeting. Subsequent events were attended by considerably fewer participants. How do you explain this regression?

[Andreescu] We must remember that on 15 November we were commemorating a very important event in the history of the anticommunist struggle, and that against the backdrop of rising prices contrary to the FSN's electoral promises and of the emergence of a long awaited civic movement. The CA did very well in organizing meetings in several major cities that day. That great demonstration of strength and sympathy may have suggested that the CA's main objective was to organize large meetings with immediate effect. Demonstrating the force of collective solidarity is indeed one of the aims of the Alliance. But its purpose is to achieve solidarity in the name of a certain value and hence it detests any manifestation of violence. The CA must mainly structure and develop a civil society as the most consistent guarantee for the values of justice and democracy.

[Marculescu] What is actually meant by a civil society?

[Andreescu] Leaving aside the fine points of etymology and concept, the civil society incorporates the multitude of local or national initiatives, small groups, or large communities that do not stem from any authoritative, state decision. An independent newspaper, a small economic enterprise, or a private foundation are components of the civil society, and I think that this is the most alive and adaptable segment of the society, and that is what truly matters. I want to point out that ROMANIA LIBERA is one of the most illustrative examples of what today we may describe as a Romanian civil society. The existence of a civil society today in our country has been negated in various viewpoints expressed and public positions. I would like to insist on something I stated on other occasions: We are entitled to talk of a genuine explosion of the civil society. What would Romania be today without independent newspapers, without the University Solidarity, or the GDS, without the private initiatives that have nevertheless managed to fill some of the old voids? Although still fragile, the Romanian civil

society is the most important postrevolutionary achievement, the one that permitted a public conscience in spite of the authorities' desire to crush it. The CA is the political movement through which the civil society is endeavoring to defend itself and develop.

[Marculescu] We mentioned meetings and street actions. Don't you think that at this point they should support concrete alternatives?

[Andreescu] This is precisely what the CA must propose, with its competent structures, sense of responsibility, and its European consciousness that the Moscow graduates cannot offer. I want to point out that CA commissions already have firm programs in the areas of culture, protecting historical sites and values, or ecology. Naturally, a genuine economic program is all the more difficult to forge as it does not concern only aspects of economic efficiency, but greatly depends on overcoming political instability and transforming Romania into a viable partner for other countries.

[Marculescu] Do you think that the CA can contribute anything to international relations?

[Andreescu] I can tell you that we have a wealth of possibilities. Discussions were held in December between the CA and the U.S. State Department, which immediately recognized that this movement is the most credible expression of our chances for progress toward democracy. At the 9 January meeting between Alliance members and a delegation of the most powerful party in Europe, the French Socialist Party, led by Pierre Guindon, excellent means of cooperation were established. As is only natural, the National Committee of the Helsinki Civic Assembly—the broadest means of connection between European civil societies—is active within the CA. Not to mention the direct ties we have established with Czechoslovakia's Civic Forum and Poland's Solidarity. The immediate appearance of numerous Alliance branches in France, Germany, Switzerland, Italy, and the United States makes it easier to establish and maintain relations with the Western world. In point of fact, what better guarantee can the West have

than a movement that by its very nature relies on free initiative, democracy, and universal human values, which are precisely the demands now raised for genuine economic cooperation with Romania.

[Marculescu] What do you think of the development of events in our country?

[Andreescu] It's deplorable. The phase of covert decisions or subversive groups trying to block progress toward democracy has passed. Today Parliament issues laws that even Ceausescu, somewhat more careful, didn't dare suggest. Like the legislation on the Army's right to open fire on unarmed people, or means of withdrawing citizenship for criticism catalogued as defaming the country. These measures clearly reveal the repressive intentions of the authorities. The draft bill on the audiovisual media and even the theses of the Constitution have nothing in common with the hopes of the people who were willing to give their lives for the Revolution. Parliament is debating a draft bill under which, in violation of international conventions to which Romania is a party, our forests will be dealt a mortal blow. There is talk of a draft bill on state security that will allow any real form of opposition to be suppressed. And all that against the backdrop of serious economic blunders. Who can imagine that in these conditions the Romanians will become entrepreneurs, willing to work, and brimming with initiative and imagination? Such qualities presuppose hope. The emigration hemorrhage shows beyond a doubt that people have lost hope in the future. The protests of Timisoara, of its dignified and united residents, is a warning shout to which the country has still not managed to respond. The authorities have chosen the worst possible path, eliminating future chances for the sake of once again monopolizing arbitrary power. But this will also be their doom. The economic disaster that will come in the wake of this irresponsible policy will in the end swallow them up. In the final analysis, the CA can be described as a desperate effort to create as much stability in the society as is necessary to avert this disaster. If the Alliance fails, no one else, certainly not the authorities, will be able to avert the cataclysm.

## CZECHOSLOVAKIA

### Officers To Study at FRG Military School

91CH0310B Bonn WEHRTECHNIK in German  
Jan 91 p 69

[Text] For the first time since the establishment of the Bundeswehr universities two staff officers from Czechoslovakia—Ladislav Cekal and Zdenek Ruzicka—have now begun their study of economics and management in Neubiberg-Munich. The two Czechoslovak officers are the very first students from any East European country. The enrollment at the university is based on a military training assistance agreement between Bonn and Prague, which is geared to the new situation in Germany. Originally the two staff officers were supposed to have started their study at the "Friedrich Engels Military Academy" in Dresden, which was disbanded in line with the unification.

## POLAND

### Locals Lobby Against Soviet Troop Transit Plans

91EP0242A Warsaw PRAWO I ZYCIE in Polish No 1,  
5 Jan 91 pp 1, 6

[Article by Stanislaw Bubin: "The Great March Out: The Withdrawal of Soviet Armies Is Accompanied by Tension and Desperation"]

[Text] The Soviet airfield is located four kilometers west of Olawa on an area of 52 hectares. The command permitted neighboring farmers to put their cows out to pasture there. One day a young girl from Marcinkowice donned her new winter boots because she was supposed to go into town immediately after putting the cows out. However, as soon as she got out onto the Wroclaw highway she was forced to change her plans. Some sort of chemical garbage that her sense of smell had failed to detect, and that was not visible in the grass, had literally eaten through her boots. The girl ran to the city office in order to show everyone what had happened. Something, some sort of unknown substance, had disintegrated the leather, reducing it to paper. No boot tracks were visible. Janina Stelmazek, the burgomaster, is retaining these wasted boots as evidence and she shows them to everyone. If such things are already occurring, then what will happen when the military transit from the former GDR begins? Meanwhile, Olawa is located on water-bearing land.

Olawa residents were very pleased when they heard the official announcement televised on 16 December on WIADOMOSCI that Polish and Soviet government delegations had dropped the southern route through Dolny Slask and Lublin. The only route for thousands of vehicle columns from the former GDR is to be the northern route from Kolbaskowo to Branevo. Numerous earlier reports that the great march out would begin on 15 November and would not bypass the fuel repair base

in Marcinkowice had frightened residents to death. Taking the transport through Marcinkowice would be disastrous for Olawa.

"I still cannot believe that both sides completely dropped Olawa," said the burgomaster. "Why, the first round of talks just ended. The second round is to take place on 10 January in Moscow. I know from the local Russians that they wanted to organize the transit from Germany and then withdraw from Poland according to 1956 terms. More than 370,000 Soviet soldiers, and together with civilian employees and families more than 900,000 people, are to leave German territory. The decisive stance of MON [Ministry of National Defense] has put a stop to these daydreams. We are a sovereign country and we can decide which through routes are the best for you. Once this was unthinkable. Moreover, at one time no one would ever consider throwing out our allies. But in spite of this, we do not trust anyone, for we have too much to lose. If, contrary to the established arrangements, the Russians wanted to make their way through our city in hundreds of thousands of vehicles, we would have to declare a state of disaster. Consequently, we said at last that we would form a human wall across the road. Either we will perish or we will save Olawa."

Jan Mosio, specialist for environmental protection affairs, prepared a paper on the subject of the effects of a possible activation of a fuel repair base on the Marcinkowice airfield. Unlike the airfield in nearby Brzeg, the Marcinkowice airfield does not have any combat or strategic importance. Thus, it would lend itself excellently as a stopping and repair spot and a filling station during transit. However, the soil is not hard, and in the process of gasoline and motor oil fill ups there could be an accidental spillage of motor fuels, some sort of accidental dropping or even an uncontrolled leak from the tanks. This would contaminate the soil and poison the water. The airfield lies adjacent to the Olawa river and links up with the protective zone of water intakes from which Wroclaw's urban population draws 95 percent of its water for approximately 650,000 people. Likewise Olawa draws 50 percent of its water from this source (for approximately 35,000 people). If surface water infiltration intakes become contaminated, a significant portion of Lower Silesia will be faced with the prospects of a ecological disaster.

The burgomaster told me that these are not imagined dangers to be expected in the course of growth, for Olawa was threatened with the transit of 175,000 KamAZ-series and KrAZ-series vehicles over the course of four years. Consequently, if one takes into account that each vehicle was equipped with four people and that each such transit would be stationed in Olawa for an average of seven days, the final accounting would look like this: for four years, every three minutes one 30-ton vehicle burning 60 liters of fuel per 100 km would pass through.

[The burgomaster continued.] "Olawa and the surrounding localities have no waste treatment plants (a



waste treatment facility is under construction). Meanwhile, the troop transit would result in medical and industrial waste of at least 664 cubic meters per day. And what about the noise? And the combustion gases? The Olawa Steelworks, along with its fumes, is located here, placing the city in one of Poland's 27 ecologically endangered areas. The lead from the mill and lead from the thousands of vehicle exhausts will kill everybody—that is, of course, if the old German viaduct, which is the only viaduct connecting Wrocław with Opole, does not collapse first. And what about the constant refuse? Excrement and trash of at least 49,000 cubic meters per day.

"When people first read our published results of the analysis, their hair began to stand on end. The transport columns were supposed to drive from highway A-4 in the Brzeg area, through the center of Olawa via the Opole-Wrocław bypass, toward the airport, and after a time they would return to highway A-4. Every such column, traveling at a rate of 20-25 km per hour, would be five to seven km in length. Currently, without the troop transit, the average traffic flow in Olawa is 5,500 vehicles per day. The operation of withdrawing the army from Germany would raise the traffic flow index by nine to 10 percent, and it would increase the concentration of exhaust gases by 30 percent."

Deputy Burgomaster Krzysztof Trybulski received the first report on the Soviet plans on 6 September in Legnica, at the inaugural meeting of the Association of Host Gminas. The information was passed on to him by the director of the Polish Republic's Government Plenipotentiary's Office for Affairs of the Stationing of Soviet Armies in Poland, Col. Henryk Urbaniak. The burgomaster was appalled because this news confirmed all of the earlier warnings he had received from officers stationed in Olawa. Formerly the rumor was that the transfer base would be Brzeg, but the KPN [Confederation for an Independent Poland], the Greens, and the students in local schools created such an uproar in the Soviet barracks area that soon the rumors subsided. In this way Olawa became the transfer base, obviously without being given any advance warning.

"We lodged many written protests and sent them to Warsaw. No one reacted. Only Sejm Marshal Kozakiewicz replied that he had directed the matter to the General Staff," says Janina Stelmazek. "We feared the worst, that the people at the top would talk it over, that some sort of promise would be made and then that the Soviets would mollify us and violate all our rights, our autonomy, and our democracy."

"Consequently, we appealed to society to organize a demonstration. Every resident and all the organizations and institutions that could get mobilized and could speak out were to go out into the street and protest. We blitzed the government, the Sejm, and the senate with our demands. Every ministry and central organ of authority received in writing a vehement protest against allowing such a mass of people into Olawa."

"We were not satisfied with the promise that we would make money on the troop transit. There is no sum in marks or rubles that could save our city from destruction. We are too familiar with the realities. What is more, we battled for our existence completely alone, for Wrocław, while threatened to an equal or even greater degree, remained blissfully unconcerned all autumn, as though it did not know from whence it draws its water. Only on 4 December did the Wrocław voivode call a meeting on the matter."

"The date for initiating the transit was approaching and the Russians had already completed preparations at the airfield. On 15 November, a five-member delegation went to the capital. This delegation had a specific purpose: to reach the WP [Armed Forces] General Staff and to jostle the consciences of the colonels and generals. The delegation was composed of the burgomaster, the regional manager, the gmina wojt, the councilor, and the representative of the circle of ecologists. Six colonels were in attendance at the meeting."

"We were for them the first grassroots people who had come to Warsaw to fight for their own," says Janina Stelmazek. "I cannot say they treated us royally. They gave the impression that they were pleased with our giving them concrete arguments for their talks with the Russians. But the most important thing was that our discussion with them was instrumental to Poland's definitive rejection of the southern route as overly congested, in disrepair, and impassable."

A week earlier, before the talks at MON, Olawa, battling for its rights, had proposed organizing a major demonstration together with Wrocław and Brzeg on 7 November, revolution day, protesting the proposed transit through Lower Silesia which would ravage the surrounding area. Posters were hung up and slogans were painted in various places. Three local Soviet commanders came to the burgomaster. They begged, they pleaded, they entreated us by all that was sacred not to engage in any provocation. They said they had inspectors from Moscow in their own units and that if these inspectors found out about the protest they would be "dealt with." They promised that from then on Olawa would be aided in any of its requests by the units stationed on Gagarin Street, Mlynska Street, and Third of May Street. The burgomaster yielded on the grounds that ultimately 7 November is a Soviet holiday and the Soviets have a right to celebrate it without disturbance.

[The burgomaster continued.] "Since that time our relations have undergone a complete transformation. In July I had a big argument with the unit commander from Third of May Street, who had begun to demolish an apartment building belonging to the gmina without my approval. I had to alert the voivode and the government plenipotentiary's office, but before they halted the demolition process it was already too late. Meanwhile, in Olawa there are tens and hundreds of housing applications requiring immediate attention. Recently, a certain resident told several soldiers who were making a scene

that he would lodge a complaint with the office. The very next day, even before this man began to make his way to the office, the commanders arrived at his door with an apology. They were extremely polite and very nice."

Approximately 5,000 soldiers, together with their families and civil service employees, are stationed in Olawa. The garrison is composed of air force servicing and aircraft maintenance units, and a separate pontoon unit in Marcinkowice. Of course, the Soviet army did not inform the authorities, but the office managed to determine the number of soldiers by the volumes of water usage and garbage disposal. If the army is evacuated before the end of 1991, the city will have had a chance to recover 65 large residences and several barracks. The city is very pleased with the government's terms that the Soviets should first leave Poland and then they can withdraw from the former GDR.

An elderly gentleman whom I met in the market square told me, "I do not believe it. I became acquainted with Soviets during wartime. I was born near Baranowicze. I was exiled beyond the Ob and the Yenisey, and I was in many concentration camps. The NKVD gave me 10 years without a trial. I am afraid that this time they will sign anything and then do their own thing."

The remarks made by the elderly gentleman tally with the remarks of other residents. Gen. Bde. Zdzislaw Ostrowski, government plenipotentiary for affairs of the stationing of Soviet armies in Poland, informed the burgomaster on 6 December that no Soviet column from the former GDR would take the southern route. However, at the end of the letter was a postscript: "At the same time, given the tremendous social importance of this matter, I request that...I be given a running account...about all symptoms which could be indicative of the Soviets' failure to comply with this position." Obviously in Warsaw they do not completely trust the Russians either. The military, wherever it is located, likes to be guided by its own laws, and various acts of lawlessness may occur everywhere.

"They are not informing us about anything and we have no control over them. That is why certain matters continually surprise and shock us. We know that despite

what has been decided at the central level, they have built and maintain in a state of readiness a tent city on the airfield which could accommodate 400 persons at one time," says Krzysztof Trybulski. "They have likewise prepared fuel tanks there. True, the unit commander stated that to date they have not taken in a single soldier from Germany, but gmina residents know those who have been there for some time, and of late they have noticed many new faces. They came to us of their own accord. Perhaps some small detachment was sent across the border, but why did the border guards not inform the government plenipotentiary of this, especially since the soldiers themselves do not hide the fact that they were in the GDR."

"On the other hand, I learned from one of the residents," continues Janina Stelmaszek, "that during the night a foreign column got lost and by accident ended up in a housing complex. Apparently, some cannons of the 85th were found on the trucks. In general, there are significantly more road transports than there were before. The police confirm some of these reports. I requested that the motorized patrol drive toward Marcinkowice each night. Nothing should escape our attention. The fire brigade and civil defense have been assigned the same tasks. We appealed to the residents to be vigilant. Moreover, we want to receive the support of the WP. While it is true that we do not have any of our units in the surrounding areas, the military should enter our protective staff. We do not know all the details. For example, we have no information about what is happening on the small Soviet military bases which are not officially being used for the transfer. We are afraid of attempts to smuggle chemicals, cargoes that are dangerous to health, and radioactive waste via our roadways. And so, just in case this happens, we have opened a department for the victims of a possible chemical catastrophe."

The Olawa authorities were likewise informed by the residents of the gmina that the Russians are trading in arms with criminals, they are stealing sheep (they are hungry), they are stealing from stores (the tracks led to the airfield), and they are speculating in gasoline and in German cobblestones stolen from deep in the airfield. Thus, is there no reason to be upset? People will be tense about the great march out for a long time to come.

## BULGARIA

### Austro-Bulgarian Consulting Firm Described

91BA0266A Sofia IKONOMIKA in Bulgarian Dec 90  
p 9

[Interview with Antony Tonev, head of the Bulgarian side of the Austro-Bulgarian Management Consulting Company, by Ivanko Chakurov; place and date not given: "Consultations Are Also a Business"]

[Text] [Chakurov] Mr. Tonev, could you briefly describe the Austro-Bulgarian Management Consulting Company?

[Tonev] A constituent contract for the creation of the Austro-Bulgarian Management Consulting Company was concluded in Vienna on 19 October 1989. The company was registered in the trade records of the Court of Trade in Vienna on 5 January 1990. Its activities are as follows: channeling foreign investments to Bulgaria; founding consortiums for the implementation of joint projects in the country and abroad; consulting and management training; drafting economic and engineering studies; assessing investment opportunities; and providing accounting, legal, and tax consultations and the broadest possible range of other consultation services. According to Austrian law, the firm was created as a company with limited liability. Its seat is in Vienna, and its statutory capital is 500,000 Austrian schillings, which has been entirely paid up. Fifty-one percent of the capital is owned by the Andros International Management Consulting Company, and 49 percent by the following Bulgarian companies: the Bulgarian Foreign Trade Bank (25 percent); and the Tekhnoimporteksport, Bioinvest, and Tekhnika Foreign Trade organizations (8 percent each). Day-to-day management is provided by two managers, one Austrian and one Bulgarian. Dr. Hanes Andros, former minister of finance and Austrian vice chancellor in the Bruno Kreisky administration, is chairman of the administrative council. Mr. Andros is one of the most authoritative international experts in the field of East-West economic relations.

[Chakurov] How did the idea of creating this company originate? In other words, what made the existence of this firm necessary?

[Tonev] Under the conditions of a centralized economy and absolute state monopoly of foreign trade, carried out through our foreign trade organizations, no consulting companies in their classical aspect (such as Roland Berger or Mackenzie) could function in our country. With Ukase No. 56 on Economic Activities and the Regulation on Its Application in Bulgaria, one of the first relatively favorable prerequisites and conditions was created for the establishment of new forms of cooperation between Bulgarian and foreign firms and organizations.

Among the main reasons for the creation of the company were: to study individual markets for different types of

goods; to find suitable trade partners and interested financing and crediting institutions willing to participate in making deals, including projects suitable for financing by the International Monetary Fund and the World Bank; and to conduct overall surveys and analyses of administrative-managerial and production activities.

[Chakurov] What are the rights, obligations, and responsibilities of the "Bulgarian connection" in this association?

[Tonev] In addition to the more or less "standard" rights, obligations, and responsibilities, based on the founding contract and the bylaws of the joint venture, the Bulgarian founding partners have the opportunity to make direct use of the services provided by the firm. On the other hand, in the implementation of its activities, the joint venture may use the broad distribution network of these foreign trade organizations in many parts of the world. Through its constituents, the joint venture could establish contacts with all of their domestic clients and apply their experience in the respective sectors of our economy.

[Chakurov] One of the main tasks of our economy is to turn its face to the rest of the world. Naturally, this is a complex process that will not be achieved in a couple of months. In your view, what is the place of the company within it?

[Tonev] In my view, the place of the joint venture in this process will be determined mainly by the results it achieves in maximally facilitating and supporting the business relations between Bulgarian companies and their foreign partners. We shall concentrate our efforts also on helping Bulgarian firms and enterprises reach the average global level in the comprehensive evaluation of their output and even surpass it. I hope that, in the future, managers trained by our firm will contribute their knowledge and expertise to the faster revival of the Bulgarian economy and its linkage to the economies of the other European people.

[Chakurov] How many Bulgarian specialists does the firm employ? Actually, what criteria should be met by anyone you hire? Another more delicate question: What is your salary?

[Tonev] For the time being, I am the only one working for the firm. I am also the manager of the Bulgarian side of the firm and am its representative in Sofia. One more employee will be added to the company in Sofia. Our future plans include the opening of a branch. This would increase the number of Bulgarian specialists, with a view to engaging in autonomous economic activities. As for criteria... In all cases, the "selection" process will be quite strict. Future candidates will not find the job easy.

As for my salary, I believe that salary is a very private matter that is settled between an employer and an individual who applies for a specific job. Perhaps our country will soon adopt the idea of depositing wages in the personal bank accounts of employees, a procedure

that has long been followed in the majority of economically more advanced countries.

Personally, I can say that my salary is based on current legal standards and our labor legislation, and is paid in leva and not in convertible currency, as some "envious" people may assume.

[Chakurov] You probably have an idea of the trade and economic relations between Bulgarian commodity producers and Austrian businessmen. How do you assess them, and how do you see their future development?

[Tonev] In the past few years, there has been an increasing negative balance in our foreign trade with Austria. In addition to the declining competitiveness of our exports, this period has been characterized by the growing number of Austrian exports to the Bulgarian market. Bearing in mind the specific conditions of our economy, I believe that we could energize cooperation in the food industry, tourism, and some specific production lines related to electronics, timber processing and the paper industry, and the production of small-sized farm implements. Last, but not least, I believe particularly promising the cooperation between Bulgarian firms, including private ones, and Austrian partners in agriculture.

Most of these matters, which are part of the system of business relations and their development prospects, are inconceivable without the desired and necessary radical change in our legislation, and without the provision of reliable guarantees for the protection of foreign investments in our country.

### Problems of Privatizations Discussed

91BA0296A Sofia SVOBODEN NAROD in Bulgarian  
7 Feb 91 p 2

[Article by Khristo Danchev, chief of the Denationalization of Property, Securities, and Commodity Exchange Administration, Ministry of Finance: "Yes to Privatization but Not Indiscriminately"]

[Text] Most, if not all, Bulgarians and perhaps a large number of foreign citizens are having prestart shudders. Lined up like horses, all of us are nervously pawing our hooves as we await the starting shot

Once again, we ourselves have made the starting line. After the "start" (a term borrowed from the information industry) of the brigade organization, worker self-management, and the allowance of private property, many of us await the start of privatization. Once again we are being told of the start of something new and big, with brilliant prospects. Those in the know and the ignorant, specialists and nonspecialists, keep repeating the magic little words "with the start of privatization," without knowing anything about the process or its consequences.

Yes. Privatization is something big! It is the path we should follow in the course of dismantling our present system. I dare say, however, that the suggested direction and approaches are by no means among the best. It seems to me that here, as well, we are dealing with the problem in a typically Bulgarian fashion.

I fear that, like some countries that have already embarked on this path, we too shall have to stop and, perhaps, retreat.

What leads me to believe this? Above all, the haste, the lack of professionalism, and the amateurish manner with which we are approaching this process. I admit that, for objective reasons, so far the law on privatization has still not been passed. However, instead of explaining this to our people, hastening to "start privatization" would be a grave error. We are allowing the "start" of minor privatization. What does this mean? Has anyone thought about these two terms—"minor" and "major" privatization? I firmly believe that the answer is no! The various stories being spread right and left to the effect that hotels will be part of the "minor" privatization lead me to believe this. Meanwhile, we also hear that the TsVM [Central Department Store] will await the "major" privatization.

The division of this indivisible process known as "privatization" into "minor" and "major" is wrong. I dare to claim that this view is shared by many Bulgarian and foreign specialists.

Essentially, privatization has already been started in our country. Are the mixed companies that have been set up and are already operating in the country anything other than the initial steps of privatization? Or the opportunities to this effect created with Ukase No. 56 and the Regulation on Its Application? Or the stockholding companies that already exist?

We should be more cautious and accurate in our words and actions concerning the privatization process. We should put things in their proper place. Privatization has already been started, and no return is possible or, even more so, desirable. But let us carry it out in a cultured and knowledgeable way because today, once again, we are putting the cart before the horse.

Why? Because without having a legal base, created by law, we are preparing to undertake privatization. I believe that the view is unanimous that privatization is a political process with economic and social consequences. In that case, is it possible for this political process to be decided by anyone other than the Grand National Assembly? Any different interpretation and resolution would be wrong. The adoption of the regulation on bids relative to the sale of state and municipal property is not necessary at this stage. That regulation will essentially untie the hands of the local managements....

The logical question that arises is: Who needs this regulation today? Who would benefit from it? Who is the seller, and what are currently the possibilities of the



buyers? As a specialist in this area, to me this would be one more step that would benefit some so-called sellers and legalize the cash of others, the pseudopurchasers.

The situation concerning the law on privatization is entirely different. The law clearly and categorically stipulates the rights and obligations of the authority in charge of privatization. This is dictated by global experience, as well. Why then do we wish to scorn it? Why not begin by creating an agency? Why not pass the law on privatization and only then undertake its comprehensive implementation? Do we perhaps fear that this would promote strict order and that deviations and individual benefits would be blocked?

The stipulations of Article 13, paragraphs 2 and 3, of Ukase No. 56 and the Regulation on Bids on the Sale of State and Municipal Property are quite vague and indefinite in this case. What does having "independent" experts or expert companies who will act as assessors mean? Who has formulated these concepts and given them an economic and legal interpretation? What would happen?

There is no privatization agency as an authority that could legitimize independent experts who, nonetheless, are present by virtue of the documents we mentioned.

Imagine that you are a member of the administrative council of your enterprise. You make the decision to sell its fixed assets. You appoint independent experts. They assess the assets. You organize a bid and you sell them. Yes, but to whom? Could it be to the members of the administrative councils or to individuals acting on their behalf? What about the workers? What about those who have honestly and conscientiously created this enterprise? What is left for them? The enterprise will be plundered and sold "retail" as a result of a bid, and that that would follow would be neither attractive nor interesting as a system to future stockholders.

The result will be that a certain group of people will benefit at the expense of entire labor collectives. In my view, this would create a grave social stress that could be prevented by the law on privatization, for which reason there are those who adamantly would like to anticipate it by promulgating various regulations and resolutions. I hope that this will not be allowed. Anyone who has even a small understanding of the balance of fixed assets, not to speak of a balance of intersectorial relations, would not allow this to happen.

Privatization is a very complex process. No amateurishness or private interest should be allowed in it. Our government and parliament must block any such efforts because otherwise they would allow the destruction of already established and functioning economic structures.

This, however, will be nothing other than one more blow at privatization or, more precisely, a blow in favor of some at the expense of the interests of the majority, of the workers, of the Bulgarian stockholders.

## CZECHOSLOVAKIA

### Need for Agricultural Policy Discussed

91CH0341C Prague ZEMEDLSKE NOVINY  
in Czech 30 Jan 91 p 2

[Article by Prof. Eng. Jiri Tvrdoň, candidate for doctor of science (CSc.), Prague Agricultural College: "Position of the Agricultural Complex in the National Economy"]

[Text] Agricultural, and to some extent also economic policy is made up of three basic components:

- a) Establishing the objectives of agricultural policy;
- b) Defining the mechanisms to achieve these objectives; and
- c) The institutional organization of the economy, its branches, and organizational and managerial forms.

Establishing objectives is of top importance for setting an overall strategy for agricultural policy. The R&D base, above all the Institute for Research on Agriculture and Food Economics [VUEZVz] and the Institute for Research on Agro-Food Complex Economics [VUE ZPoK], in cooperation with other facilities, have performed detailed analyses of the position of agriculture within the national economy for managerial offices, and the level of fulfillment of its basic tasks in meeting the nutritional needs of the population with high quality, ecologically healthy and inexpensive foods.

### Agriculture as a Stabilizing Factor

Managerial agencies, the Ministry of Economy and the Ministry of Agriculture, have made use of this information only partially, incorporating mainly the qualitative aspects of feeding our people into current agricultural policy. This attitude indicates an attempt by the planners of current economic and agricultural policy to rectify issues that did not receive enough attention under management by directive. However, it is clear from current program documents that this comes at the price of neglecting the importance of quantitative aspects of the food supply.

Nonagricultural economists are not adequately aware of the foundation and function of agriculture, which consists mainly of converting solar, clean energy for human advantage. The more of this energy the society, the government converts, the more wealthy and stable it will be. The foundation of the economic prosperity of the United States, Germany, France, the Netherlands, Denmark, etc., is the great sophistication of their agriculture. The European Council is aware of this, as well as the governments of a number of European countries, especially the FRG and France, both of whom maintain a policy aimed at the long-term stabilization of agriculture and therefore the country.

### Balancing Resources and Requirements

Before defining the mechanisms of agricultural policy one must determine the quantitative level of agricultural and food production to be provided by the domestic agricultural sector and food industry. This involves establishing an economically justifiable level of self-sufficiency in aggregate food production, as well as for individual critical agricultural and food products. It in no way means setting tasks for agriculture the way this was done under directive management, namely by assigning state plan tasks to particular enterprises. What must be determined at the national economic level is the amount of agricultural production that is economically necessary for a given period, given prevailing economic conditions.

This kind of planning is completely normal in West European countries with a mature agricultural sector. These countries use various measures, including planning quotas, to regulate the development of agriculture in terms of both domestic requirements for agricultural output and obligations to the European Community. This allows them to maintain market equilibrium based on a defined amount of production.

### Support or Restriction

The decision of whether macroeconomic mechanisms should be used to support or to hold back agriculture is an integral part of the economic and agricultural policies not only of individual, developed West European and non-European countries but also of their communities. We must evaluate their situations and decide whether macroeconomic mechanisms should act on this sector restrictively, expansively, or neutrally with respect to agricultural market equilibrium.

Our current agricultural policy, unfortunately, does not answer these questions. Documents published to date by the Ministries of Agriculture and of Economy do not address the issues of whether agriculture should meet food requirements in either physical or monetary terms, taking into account net exports (the difference between imports and exports of food), produce just enough to cover certain (and if so, which) parts of our food needs, whether we should be totally self-sufficient or produce enough to export (the Hungarian example, under similar conditions). The answers to these questions help decide whether it is best to adopt a restrictive program or a developmental program, or whether to allow production levels to remain constant.

According to the economic reform scenario, Part 5, structural changes are planned for the national economy in a number of sectors. It is not clear however, which sectors agriculture will be grouped with: Those that will be restricted, those that will be developed, or those that will be left alone.

One can judge, however, from the economic measures adopted last year that a restrictive stance has been taken

to agricultural development. This is shown by the significant reduction in subsidies as well as by other measures of an economic nature.

### Same Starting Conditions?

Not only agriculture, however, but the entire economy are entering difficult economic times. Economic pressure on individual sectors, which is our only chance to stimulate the necessary economic growth, should however be differentiated based on the importance, position, and impact of the intersectoral relationships between these branches. Given the particular standing of agriculture, the economic conditions in which it will be operating, it should be at least equal to the other sectors and not administratively penalized to its detriment.

The most recent procurement price adjustment, certainly, has nothing in common with a market mechanism. It was undertaken administratively, with the same dictatorial attitude to the agricultural sector as was the case under directive management. The need to adjust procurement prices did not reflect the market situation, which did not require government regulation to achieve market equilibrium. There were insignificant agricultural and food surpluses and customer demand was satisfied. The price adjustments were made because of budgetary requirements to eliminate the negative sales tax. Balancing the budget by adjusting prices, however, is possible only under directive management which continues to be practiced by the Federal Ministry of Finance against the agricultural sector. In a market mechanism, budgetary equilibrium is achieved using taxes and other measures.

### Consequences of the Price Shock

Moreover, the adjustments made to both procurement and retail prices were implemented poorly from a quantitative perspective. These measures violated the principle of price inertia which applies in market economies. This holds that price changes in time period  $t+1$  are functions of the prices at time  $t$ . In other words, prices do not increase rapidly. The administrative approach to price formation has become immediately evident in the well known problems with selling beef, both at agricultural enterprises and in retail stores, which has required additional price adjustments with certain elements of price deregulation. The supplementary payments, made to bring old and new prices in line, were not accepted by agricultural enterprises as a part of the price. Unexpectedly rapid changes in prices are shocking in any economy. For the agricultural economy, in view of the importance of cattle raising to both its gross and market production and its intersectoral relations, this beef price shock had an impact analogous to the crude oil shock for the national economy.

### Operating Under Unrealistic Projections

Current Czechoslovak agricultural policy is operating under recommendations made in "National Economic Projections," by docent J. Vostatek. These projections,

in relation to structural changes in the economy, advocate restricting cattle production and the grain production sector to production of seven million, instead of the current 12 million tons.

This restrictive attitude of the author of the agricultural part of these projections towards two of the most important sectors of agricultural production was based in part on the low efficiency of primary cattle production, and on the conclusion that Czechoslovak agriculture is "expensive."

Detailed comments on this projection have been formulated at the Department of Operational Economics at the Prague Agriculture College, and were published in *HOSPODARSKE NOVINY*, No. 24/1988. In comparisons of the costs of Czechoslovak and West German agriculture, the author considered parity purchasing power to be approximately 4.30 Czech Korunas per West German mark. Even though a number of subsequent articles called this assumption into doubt, the resultant calculations gave rise to the impression that our agriculture is significantly more costly (60-80 percent) than that of the FRG.

Short term purchasing power parity might be in line with the author's assumptions, but over the long term this parity will approximate the foreign currency exchange rate. This has never been so low. Food prices, even after increasing the sales tax on them significantly, continue to be favorable for foreign tourists from western countries. This would not be the case if the significant differences in cost structures discovered by the author of the projections actually existed. If the conclusions that FRG agriculture is significantly more efficient were accurate, food prices on West European markets should be lower, because of excess production and a resultant increase in supply over demand, than the current relative prices of our food and food in Western Europe.

As an approximation, it may be stated that the production of foods in Czechoslovak agriculture is more expensive than that in the FRG by 17-20 percent. Even this, however, is a very bad result, which will require fundamental changes in our agriculture, based on the economic reform scenario.

Otherwise our agriculture, with the opening of our economy, could get into problems similar to those experienced by agriculture in the former GDR, whose performance was roughly comparable to ours. The difference between the former GDR and the CSFR lie however in the consequences of the restriction of agriculture. Food is assured for unified Germany, but under our conditions this task will fall on farmers until such time as we have enough resources to buy food abroad. Directly or indirectly all inhabitants of the CSFR participate in the market for food daily, while consumer durables are purchased at a particular moment, and always by a specific part of the population, and frequently after many months or years. The market for food is critical in forming the attitudes of the population regarding the

successfulness of the politicoeconomic evolution of society. Perestroika, some analysts suggest, came about for no other reason than permanently empty food stores, which also led to other measures.

The erroneous agricultural policy, as outlined by V. Klaus in the 16 November edition of *OBCANSKY DENIK* as part of economic reform, can result in the breakdown of the agriculture and food market with all its political and economic consequences.

### Slovak Auto Plants' Search for Partners Viewed

91CH0310A Vienna *DIE PRESSE* in German  
14 Jan 91 p 8

[Article by *DIE PRESSE* staff member Charlotte Grabner: "Looking for a Partner in Bratislava"]

[Text] Bratislava—While Skoda and VW are entering a "marriage of convenience," the Slovak car manufacturers are desperate because of indecisiveness and disagreements. "Smetana was able to sell his bride more quickly," they therefore suggestively poke fun in and around Bratislava. Thousands of jobs are at stake here.

The Bratislava Automobile Works (BAZ), a result of the compromise between Czechs and Slovaks, has led a wallflower existence for 20 years: BAZ produces spare parts and axles for the prestige object of the Czechs as a subcontractor of the Skoda Works in Mlada Boleslav.

The factory was planned in the 1960's on the green meadow near the mouth of the Danube and Morava rivers. But the 106,000 square meter plant grounds and the 4,500 employees are anything but working to capacity. Although a dozen prototypes were produced over two decades, Prague refused to approve series production.

### Rivalry and Nationalism

The rivalry between BAZ and Skoda was also used for nationalistic manipulation. With an eye to the Czech competition, the BAZ workforce in an open letter asked the Slovak government to take "decisive steps to reduce the monopoly in the automobile industry." A representative of the workforce: "We no longer want to be errand boys for Mlada Boleslav."

For BAZ and the other Slovak automobile enterprises it is a matter of survival: if they are unable to find a financially strong partner, most of them will have to close down.

Aside from the Bratislava BAZ, the Trnava Automobile Works (TAZ) with its production of panel trucks and ambulances is also languishing. That is so even though TAZ is behind in its deliveries: The annual production of 5,000 units could easily be doubled. The ugly but robust vehicles are sold mainly domestically and to the eastern neighbors. But how long will that last? Last year Prague sacrificed foreign exchange to buy Western ambulances instead of making do with the Trnava tin dinosaurs.

To be able to make the most urgent improvements TAZ lacks over 200 million korunas. During the summer, when interested parties from the United States inspected the plant, "they could not believe when they saw what is called an 'automobile plant' here," caustically noted a TAZ sales representative. Compared with that, Japanese plants look "as if they come from science fiction films."

In addition to BAZ and TAZ, the Tatra Works—rich in tradition—in Koprivice and the regional subcontractors are waiting for Western capital infusions. And in addition, it is hoped, new fields of activity—read: conversion—will open up for the crisis-shaken armament industry in central Slovakia.

BAZ in Bratislava believed it had found the ideal partner in General Motors last spring. What caught the eye of the U.S. side during the visit there was especially the advantageous location—near the port and the border. The wrangling over respective areas of responsibility between Prague and Bratislava delayed conclusion of the contract beyond the summer and fall. It was not until early November that agreement was reached on the building of an assembly plant. According to the contract, BAZ was supposed to produce 250,000 power trains for General Motors and later on it was also to assemble Opel motor vehicles for the domestic market. According to plan, production was supposed to start by the end of 1992.

While in the beginning BAZ director Josef Chudoba and his team were highly enthusiastic, the mood is now somewhat subdued. BAZ had expected GM not only to make 20 percent of the capital available but also to pay for retraining and to give a hand to the ZTS [heavy machine tool enterprise] Dubnica armament plant as well. Jan Ferianec, director of the planning department, in an interview with the newspaper SMENA raved about the fact that BAZ would not take "any risk of foreign exchange indebtedness" and that the Slovak government would not have to "borrow any money."

Now it has been discovered that General Motors is by no means a charitable organization. Slovak Minister of Economics Jozef Belcak complains that GM is setting "hard" to "unacceptable" conditions: The state has to bear the principal burden for retraining the workforce and modernizing the infrastructure; ZTS Dubnica cannot be saved and, in addition, 10 years' tax exemption is being demanded, according to the GM terms.

Belcak hopes that the VW and Skoda duo can be transformed into a trio and that the Slovaks can become involved in the lucrative cooperation. Prerequisite: BAZ would have to be taken care of directly from Germany—not by way of Bohemia. But the search for a partner continues.

Many suitors make matters more exciting: Renault, rebuffed in Mlada Boleslav, is also one of the suitors. The French had hardly lost Skoda when they advertised in the Slovak press: "Skoda!—but today is not tomorrow." Skoda means, "too bad."

## HUNGARY

### Foodstuffs Cooperation With France Viewed

91ES0428X Paris LIBERATION in French 4 Feb 91  
p 20

[Article by Sylvaine Villeneuve: "Hungary Whets French Appetites"]

[Text] Beghin-Say has been given the green light to own stock in three Hungarian sugar companies. Other French food makers are also establishing themselves in the country...

France is making inroads into the food sector in Hungary. And in the sugar industry, Beghin-Say is well placed. Along with several other French agro-food firms, it is following in the footsteps of BSN, which has been in the Hungarian market for several years now with its fresh dairy product concession (7,000 tons per year). The yogurts and the Gervais and Danone d'Antoine Riboux dessert creams are in the vanguard but soon they will not be the only French products in Hungarian dairy cases. The Hungarian dairy trust broke up at the first of the year and all its cooperatives are looking for foreign partners. The French firm Sodial, for example, has nearly completed negotiations on accords with three dairies to permit local production of its Yoplait brand products.

Although the market for fresh dairy products is one of the easiest to penetrate—dairy production is already established, and there is strong demand for quality brand names—the near-term outlook is not very good. Groups such as Bongrain (a cheese maker) and Normandy Dairy Union, which have made their own pilgrimages to Budapest, are still skittish. At the moment, consumption of "high-end" food products in Hungary is actually weakening due to the decline in purchasing power.

One symptom of these problems in the dairy sector: the demonstrations mounted by Hungarian milk producers—last Thursday in Budapest, for example—demanding urgent action to deal with the enormous accumulation of milk surpluses. According to the Ministry of Agriculture, milk production would have to be reduced 20 percent to absorb the surplus. A combination of causes is responsible for the crisis: decline in consumption, increased production, and high milk prices (governmental subsidies have been reduced). "Market shares are stagnant," according to the commercial section of the Hungarian Embassy in France, "but French producers rightly figure it is essential to get a foot in the door, whatever the economic difficulties of the moment."

In the sugar sector, France's Beghin-Say seems to be leading the pack. It has just been given the green light by the Patrimony Agency—the Hungarian privatization authority—to own shares in three sugar firms established in the eastern part of the country. Though not an exporter, Hungary is self-sufficient in sugar, producing



some 500,000 tons per year. "But we do not have the resources to renovate the sector. Aid from the EEC and the World Bank will not be not enough," notes the commercial section of the Hungarian Embassy. A giant such as Beghin-Say has the resources to reorganize the industry all the way from sugar beet production to the marketing end. Generale Sucriere, the other French firm, has no agreements lined up at the moment.

Some firms, like Teisseire, are taking the high-risk path of buying a Hungarian company. The Grenoble beverage-syrup producer announced in January it was taking over the Hungarian syrup group Szobi Szorb. But that market is relatively safe, since Hungarians consume a lot of syrup-based beverages. More often, firms participate in joint ventures or buy small stock shares. Other agreements, covering mineral water and nonalcoholic drinks, are still being negotiated. The commercial bank Paribas, which has opened a branch in Budapest, is also seeking Western partners for Hungarian poultry and wine concerns.

#### 1991 Budget Allocations Reviewed, Discussed

91CH03464 Budapest TALLOZO in Hungarian No 3,  
18 Jan 91 p 103

[Article by A.GY. reprinted from VILAGGAZDASAG 8 January 1991: "Who Gets What From the Budget: Reduction Is Still Not a Solution"—first paragraph is TALLOZO introduction]

[Text] Although we have had a budget since 30 December, it has only been a week since its individual components were combined and we can now clearly see who is getting what from the state treasury.

Total revenues amount to 852.9 billion, total expenditures amount to 931.7 billion, and the budget deficit amounts to 78.8 billion forints. Of course, no one is satisfied with these totals. It seems that the only good thing about this budget is that it exists, thus making it easier for us to obtain foreign credit. According to some prognoses, this budget is so bad that it is predicted to be short-lived, and the Ministry of Finance would do well to start developing a radically different system as soon as possible.

Although the budget is considered to be final, it still has blank areas. While at the office of the prime minister, we asked Deputy State Secretary Gyorgy Szilvassy what size of budget and apparatus the seven ministers without portfolio have and whether the government has any plans to set up new offices in 1991.

Unfortunately, we did not find out the amount of the separate budgets of the ministers without portfolios because these "mini-offices" have yet to be erected. In any case, we learned that in 1991 they can spend a total of 18.8 million forints for wages, 8.4 million for social security contributions, and 10 million for material expenses. (Last year's figures were 15.9, 6.8, and 10.4 million forints, respectively.) Each minister without a

portfolio will have only three or four staff members. Of course, the lawmakers' decision to reduce the estimated expenses of the state administrative sphere by 12 percent across the board also affects the ministers without portfolios. During the first two months of activity, the new government expenses incurred by the ministers without portfolios were hidden in the budget of the office of the prime minister. However, this year they will be listed separately.

The government is not planning to increase the number of its offices in 1991. The 200 million forints which were previously set aside in the budget under the heading of "New Government Offices" but which the parliament eliminated by a stroke of the pen, was simply a reserve for unforeseen circumstances.

According to Gyorgy Szilvassy, reducing the budget of the ministries and their support institutions is in itself a poor solution. After the parliament decides on the responsibilities of the state, it will be possible to bring about changes in the central institutional system and to significantly decrease the centralization of revenues. On the other hand, according to the deputy state secretary, maintaining the traditional institutional structure and functions while having pushed most of the state administrative organizations to the brink of being unable to operate is not wise. It is also true that the government will need a few more months in order to reform the state administration and to reevaluate the responsibilities of the state. The first step that will be taken before the end of March is the justification for the various state administrative organizations. Their support institutions will be reviewed, and some kind of a concept will be formulated as to which ones should be maintained and which ones should be reorganized or even abolished.

Estimated and Approved Budget Expenses  
(in million forints)

Justification	1990 Expected	1991 Estimate	1991 Approved
I. Office of the President of the Republic	82.7	123.6	80.7
II. Parliament	2,712.5	2,716.7	3,216.7
III. Constitutional Court	92.4	161.0	161.0
IV. Supreme Court	178.1	236.2	236.2
V. Prosecutor's Office of the Republic of Hungary	943.5	1,785.2	1,765.2
VI. State Auditing Office	390.3	388.8	388.8
VII. Office of the Prime Minister	5,886.8	28,214.9	27,703.5
VIII. Ministry of Interior	119,270.8	225,676.7	229,488.3

**Estimated and Approved Budget Expenses  
(in million forints) (Continued)**

Justification	1990 Expected	1991 Estimate	1991 Approved
IX. Ministry of Defense	46,949.3	54,462.2	54,444.1
X. Ministry of International Economic Relations	6,080.1	10,199.3	8,684.6
XI. Ministry of Public Welfare	78,797.2	132,939.6	132,634.9
XII. Ministry of Justice	7,395.3	10,110.2	10,070.6
XIII. Ministry of Transportation, Telecommunications and Water Management	28,874.9	21,903.4	30,684.4
XIV. Ministry of Foreign Affairs	3,973.0	5,552.9	5,318.7
XV. Ministry of Agriculture	18,227.2	18,303.8	17,284.1
XVI. Ministry of Labor	9,251.8	13,891.3	22,644.7
XVII. Ministry of Finance	222,720.4	191,528.3	182,908.7
XVIII. Ministry of Culture and Education	30,402.0	33,832.9	33,779.0
XIX. Ministry of Industry and Trade	15,054.4	19,238.1	17,397.7
XX. Ministry of Environmental Protection and Land Development	12,146.3	12,055.7	3,291.3
XXI. Hungarian Academy of Sciences	7,419.4	8,437.0	8,433.9
XXII. Hungarian Telegraph Office	1,642.4	1,485.7	1,485.7
XXIII. Hungarian Radio	2,655.2	2,377.0	2,377.0
XXIV. Hungarian Television	6,791.2	6,843.1	7,843.1
XXV. International accounts	18,240.0	19,973.0	19,273.0
XXVI. Domestic government debts	67,700.0	110,100.0	110,100.0

**Entrepreneur's Uphill Battle To Stay in Business**

91CH0334B Budapest TALLOZO in Hungarian No 2, 11 Jan 91 p 72

[Article including interviews with Laszlo Zsigo and Eva Lacz Acs by Miklos Gelleri; place and date not given: "A Tumbler Doll Will Always Stand Up Again;" article reprinted from KEPES UJSAG, 5 January 1991—first paragraph is TALLOZO introduction]

[Text] I had already passed the pedestrian bridge over the Debrecen railway station and was leaving town on the road to Mikepercs when I had to turn off onto an abandoned dirt road. The local residents did not even know where Ferenc Povolni Street was but when I inquired about Laszlo Zsigo, everyone readily offered information.

"Go to the end of the dirt road, you will see a half-built house on your right. That is where you will find the mechanic."

The unfinished house already has a roof for its prospective inhabitants, but Mr. Zsigo hurried out from the temporary shack next to the shop to greet me.

"It will be nice," I said pointing to the house after the introduction, but he seemed to hear only the verb—that is what he repeated with resignation.

"Will be. Sometime in the future when I will have the time, energy, and money for it."

Why, it crossed my mind, we have not even begun our conversation, and the entrepreneur is already complaining. He apparently sensed my thought, for he continued while leading me toward the shop.

"This is not a complaint, believe me, I never complain. If I am beaten down, I stand up; if I am cheated, I begin anew; I am like a tumbler doll. But this of course eats up a lot of energy and money. That is why this half-finished house has been standing here for years."

The shop was large and noisy from the whirring lathes. Metal scrapings snaked around the sharp knives and while busy work was going on in one room, partly unpacked machines were lined up in the other room. Laszlo Zsigo led me to a quiet corner and right away began to talk about what I was going to ask.

"Nine years ago I rented a small room, bought a lathe with borrowed money, and plunged into a venture. I had no idea what to expect. As a beginning mechanical technician, I dreamed of self-employment as if it were heaven in a fairy tale. Well, heaven did not materialize, although parts of my story are suitable for a fairy tale. Do not forget, there are also witches and evil dwarfs in fairy tales.

[Gelleri] And you met these evil dwarfs?

[Zsigo] Symbolically, yes. Although the beginning was nice. My family and friends loaned me 680,000 forints to

start. I turned axles and manufactured parts. After two years, I had a helper, and the venture became more and more successful. As it was said at that time, I was shooting upwards. Then, all of a sudden, everything changed.

[Gelleri] What elicited the change?

[Zsigo] Who knows, perhaps the constant lack of money. Enterprises continued to order parts from me, and I made them, but the money was not coming in. In other words, they began not paying me. The national financial "queuing" also reached me, but I am not a state enterprise, I cannot make up for the missing money. And then, in addition, came that big hoax.

[Gelleri] What hoax?

[Zsigo] The county Agroker ordered 10,000 cylinder head gaskets. This was an order of almost 13 million. I had to prepare myself for it. I bought machines, and made special tools. And then production began. But as soon as we delivered the first 1,000 pieces, Agroker canceled the order. They admitted it to be a breach of contract but said they would not pay unless I went to court and they would be ordered by the court to do so.

[Gelleri] Did you initiate legal action?

[Zsigo] No. Legal proceedings can be stretched out for years, I would have had to spend a lot of money on attorneys, while in the meantime, production would have stood still. I did not even begin any action. I had been cheated. I lost more than a million, and gained some experience. You cannot operate a venture like this, something has to be changed.

[Gelleri] But being self-employed was your dream. Do you want to give it up?

[Zsigo] Oh no. I want to change gears. If state firms do not pay, if they can simply ignore contracts, if no one is looking out for us, then I will do something else for someone else. I am not giving up a venture, I am only changing my profile.

[Gelleri] To what?

[Zsigo] To public service. I am going to do engine overhauls. Those new machines in the other room are ready to go. I am planning to set up a place to work. The customer brings his car, I take out the engine, take it apart, completely overhaul it, and put it back together. All of this within a few days. Those who know about general overhaul, they know what this means. Later, in emergency situations, I will even put in a substitute engine for those few days so that the owner will not have to be without his car.

[Gelleri] Are you changing to a repair shop?

[Zsigo] No. This is still work that has to be done with machines, but only for customers who pay hard cash. In the meantime, I will make cylinder head gaskets, and

make my own profile of products for small machines according to demand. I found interest in this, both at home and abroad.

[Gelleri] You also make parts for abroad?

[Zsigo] Yes, I made such an attempt, but it did not work out until now. Agents brought in the work and pocketed most of the profit. It is not worth it this way. I do not speak any foreign language, and there is no dependable agent who would represent Hungarian entrepreneurs abroad. Thus, this is only a possibility of the future. For the time being, we should first stand on our feet here at home.

[Gelleri] Well, you are a good example of someone standing on his feet.

[Zsigo] That is true, even though circumstances are really buffeting me. When I applied for a one-million-forint loan for the first time, I had to show unencumbered collateral of the same value. Now they demand a 3-million-forint collateral for 1.5 million. But they do not accept the 1.5-million machine bought with the loan as collateral. This leaves the entrepreneur today almost without any elbowroom. Many people give up, they cannot endure the below-the-belt blows. I am 35 years old, and as I said, I am like a tumbler doll.

[Gelleri] What does the family say about having to live in temporary quarters next to the half-built house?

[Zsigo] My wife is a dental technician, and she is very patient. We have two children, and she knows that I will attain what I want. All that is needed is time and....

"Yes, I know, energy, and money," I finished the familiar phrase. We laughed at the repeated words even though I felt that the situation was not that cheerful.

Laszlo Zsigo's problem is not unique among entrepreneurs; it is a common phenomenon. How does the union view the entrepreneurs' situation, I thought later as I was driving again toward downtown. A big sign saying KIOSZ [National Organization of Artisans] popped up in the curve after the railroad station, as if it were a contribution to my report by the wizard of the fairy tale. The sign on the door said: "Industrial Council of Debrecen and Vicinity." I am in the right place then, I thought as I knocked on the door of office chief Eva Lacz Acs.

"If someone wants to become an entrepreneur," she explained later, "he does not need anything but a clean police record. But he should not be too happy about this because a venture is not only a great opportunity but also a great trap and, unfortunately, many people fall into it. Imagine, most entrepreneurs borrow money, invest it, and take a risk, often by not even knowing what regulations apply to them. Then, along the way comes the various legal and financial obstacles, and the new entrepreneur, who is just getting the taste of self-employment, is left by himself and he does not know what to do and whom he can count on."

"And whom can he count on?" I pounced the question, for this was precisely the reason why I stopped here. The reply was hesitant, began circuitously, but then was very frank.

"Of course, help has many faces and many sources. We also try to help, although we are not always successful. I will give you an example. The Industrial Council started a course for entrepreneurs to help them understand the world of social security, taxes, and various credits. If you think they came in flocks then you are mistaken. There was hardly any interest. In other words, even if there was some help, its success would be questionable. But, returning to your question, I think an entrepreneur can only count on himself."

[Gelleri] What about state support?

[Lacz Acs] Are you serious in asking this? Let us look at a concrete example. Our tax system specifically encourages the entrepreneur to produce little with great expense. This is how he pays less [taxes]. Incentive is thus reversed. I have not spoken of the 53 percent social security tax. But let us go on. The often mentioned trade neutrality does not work. Tradesmen are still in last place. When the entrepreneur consumes electricity, he is regarded as a public institution; when he wants to buy something at a wholesale price, he is regarded as a private citizen. In other words, everything works to his disadvantage. What else should I tell you? Low-cost credit simply does not exist in practice. Money is scarce and creditors select as they wish.

Thus, the entrepreneur is generally left to himself. His risks are his own, he takes the money necessary for investment away from his family, and society begins to pay attention to him only when he is successful.

What is the reason? Is it that only in success does he bring us tangible benefits or simply because in his success we find something to envy?

## POLAND

### Commentary on Rural Solidarity News Conference

91EP0239C Warsaw *RZECZPOSPOLITA*  
(*ECONOMY AND LAW* supplement) in Polish  
15 Jan 91 p 1

[Article by Edmund Szot: "Rural Solidarity: Weak, But the Strongest"]

[Text] This is how NSZZ RI [Independent Self-Governing Trade Union of Individual Farmers] [Rural] Solidarity Chairman Gabriel Janowski described the union he heads at a press conference held on 14 January. The current situation in agriculture and in rural areas was the topic of the conference.

The definition "strongest" reflects the position of the union among other organizations operating in the rural

areas; its weakness is the reflection of apathy which is now spreading increasingly to farmers' circles.

Gabriel Janowski said in a statement released at the conference: "No problem of Poland can be solved without properly resolving the issues of agriculture and rural areas."

Hopes for the expected turning-point policy were not borne out by meetings with the president and the prime minister which were organized on the initiative of the union. A system of minimum guaranteed prices and access to revolving loans postulated by Rural Solidarity still do not appear to be a prospect.

Gabriel Janowski announced: "We will head a revolt." He takes into account most seriously the possibility of such a revolt in the rural areas. The leadership of the union would preempt the influence of other forces which could try to take advantage of "szelism" [term coined after Jakub Szela, the leader of peasant riots in Galicia in 1846] and "tyminskism" [term coined after Stanislaw Tyminski, 1990 unsuccessful presidential candidate]. The former is an anarchist inclination, and the latter is susceptibility to demagoguery.

To date, I have not heard at any press conference of Rural Solidarity the thought that the economic actions of the government (or, in other words, the Balcerowicz program) are not specifically directed against the rural areas, that the difficult situation of Polish agriculture is primarily a consequence of the declining demand, that is, the deteriorating financial standing of consumers. It is, in the most general outline, a program of sacrifices which are borne to (perhaps) equal degrees by the inhabitants of both cities and villages.

I heard instead that only one farm in three has a tractor, and "it is even worse as far as other machines are concerned, especially in animal husbandry." I am not sure that any economy would be up to the task of equipping all farms (more than 2.5 million) with the technical means or machines which may make easier the work of keeping two cows and seven or eight hogs (this is how many animals a statistical farm keeps).

Therefore, everyone who would like "to head a revolt" should first of all understand that streamlining the economy and reducing the cost of production cannot bypass agriculture either. Intimidating, with the Szela and Tyminski [threat], consumers who pay more than 60 percent of their income for foodstuffs is really somewhat ridiculous.

### Expensive Building Materials Slow Construction

91EP0254A *RZECZPOSPOLITA* (*ECONOMY AND LAW* supplement) in Polish No 3, 17 Jan 91 p 1

[Article by A.Z.: "Harder and Harder To Build a House"]

[Text] Vanishing dreams—that is the term that best describes the attempt to build one's own house or to



obtain an apartment in a multifamily building. The problem is not just the interest rate on credit, but mostly the price of building materials.

As the year began, the editors of RZECZPOSPOLITA conducted their own survey of the building-materials market. We questioned producers, wholesale houses, and retail sales centers. We wanted to determine how high the prices of materials would rise.

The producers are announcing increases of 30 to 50 percent. These are attributed to the increase in the real estate tax, the rise in energy prices, the reduction in the depreciation time, and a certain exemption, i.e., increase, in workforce wages. We should also add to this the increases in telecommunication fees, the growth of coproducer prices, the growth of fuel prices in transport, etc. In other words, we will be paying at least half as much more for the same item, with no improvement in quality.

But normally every material, before it reaches the building site, must pass through a wholesale house and a retail sales center. And this means more price increases.

The wholesale house must include in its wholesale margin the same components which the producers include—fees for use of the terrain, growth in worker wages, fees for energy, fees for services such as water and sewage, and also the costs of transport. The usual wholesale margin is 10 to 20 percent.

Now the goods must go from the wholesaler to the retail sales center, to the shop. When the shop figures its margin, it, too, must take into account such items as rent payments, personnel wage increases, and all of the increases connected with work benefits. Even if the usual amount of margin remains—20 percent in zlotys—this will still be much more than a month ago, for example.

A simple calculation will show, therefore, that the actual rise in the price of building materials for an individual buyer, a citizen building his own house or doing major repairs on an existing dwelling, will be, in the early months of the year, in the 80 to 100 percent range.

People waiting for housing in socialized construction will be in an even worse situation. The price of a square meter of floor space, in addition to the costs of obtaining the building materials, also includes the prime costs of the contracting enterprises, the same taxes, the same increases in workforce wages, the reassessed depreciation, the increased costs of transport, and the higher price of energy.

## ROMANIA

### National Bank Governor Isarescu Interviewed

91BA0301A Bucharest ROMANIA LIBERA  
in Romanian 17 Jan 91 pp 1, 7

[Interview with Mugur Isarescu, governor of the Romanian National Bank, by Eugen Sasu; place and date not given]

[Text] [Sasu] Governor, in a previous discussion you said that the population has 10 times more purchasing power than the commodities brought out in the market in one month. Has anything changed since then?

[Isarescu] The situation is unchanged...

[Sasu] That means that we are entering a period of inflation?

[Isarescu] We are under strong inflationist pressures and have been for over 20 years.

[Sasu] Was there any reason for issuing the new 10 lei coin?

[Isarescu] Nothing to worry about. This issue marked the beginning of a process of recovery in monetary circulation. What is the purpose of this process? To replace poor quality monetary instruments with some better adapted to the current period. Secondly, the 10 lei banknote was far too weak to remain in that form (as paper money). It required too great an effort of the bank printing office which is already very poorly equipped.

[Sasu] Will additional coins be issued?

[Isarescu] Yes, there will be 5 lei coins. Somewhat later we will also replace 1 and 3 lei coins, in view of the fact that they are used for various automats.

[Sasu] What about paper money?

[Isarescu] We will begin by issuing banknotes larger than 100 lei. The present 100 lei banknote has been in circulation since 1952, when prices were very low. Around 1970 both prices and salaries increased about five times. Consequently, a banknote larger than 100 lei was necessary. By 1989-90 we had come to an incredible and disastrous situation in which the largest banknote we had (100 lei) was worth less than three dollars at the official rate; as for its black market value, better not to talk about it.

[Sasu] Do you think that a devaluation is possible or necessary?

[Isarescu] A monetary devaluation is not only an economic decision, but a political one as well. I don't think that it is advisable at the moment. Devaluation appears to be necessary when prices have several zeroes to them, when one loaf of bread costs 5,000 lei and one kg. of meat costs 50,000, which is not now the case in our country. Devaluation fulfills certain economic purposes. For example, to end hyperinflation, or prices doubling or tripling from one day to the next. We are under inflationist pressures but there is no hyperinflation here. For the time being price hikes have been corrective rather than inflationist. Our bank is firmly working to preempt an actual inflation spiral. Another purpose can be to collect the cash from the population or from some of the population, as was the case in 1947 and 1952. The latter argument has been circulated among some social circles to imply that the purpose was allegedly to confiscate

illicit gains. That is not true. Those who profited and made a lot of money dishonestly are the first to exchange it for hard currency, jewelry, or art. In view of that, any devaluation will not hit them. The ones to be hit will once again be the poor, those who worked a lifetime to get together a few tens of thousands or less.

[Sasu] Toward which theory do you lean, Cojocaru's or Rugina's?

[Isarescu] Neither. The Rugina theory would be perfect but for a world that no longer exists. Don't you wonder why precious metal coins are no longer in use anywhere in the world and why convertibility is no longer ensured in such metals? And by the same token, how can anyone think that a country like Romania, not too rich, could maintain this kind of convertibility for more than 24 hours? This kind of restrictive convertibility was tried on the eve of the 1929 crash (convertibility was ensured only from 100,000 lei upward, so it was still only for the wealthy), but it didn't last even two months. And that despite the fact that this kind of convertibility was at the time practiced in several countries... And then, where do we get so much gold and silver? With our current production and in conditions in which the industry would not get any precious metals, we would need 40-50 years to accumulate reserves with which we could consider a possible limited convertibility. As for the Cojocaru theory, it contains several elements not rooted in reality. Nowhere in the world (not even in the most developed countries with the most progressive democracy) does the state own no property. State property in Western states can total 20-30 percent. Efficient capitalist privatization is being confused with a populist formula not unlike Lenin's 1922 cooperative plan. Genuine privatization means that enterprises should go to owners who are good managers and organizers and who will hang on for dear life to what they've got. It doesn't mean splitting it up among thousands of people, because that is the way to promote lack of responsibility and confused decisionmaking just like under the planned economy, when we were continuously being told that we were the producers, owners, and consumers.

[Sasu] Were a \$2 billion loan possible, what would the bank do with it?

[Isarescu] If the loan were liquid and on easy terms (not short term and at a high interest), we could soon ensure a degree of convertibility for the lei. I say "a degree" because no convertibility can be maintained only on the basis of the country's currency reserves. Convertibility requires both a competitive economy and an efficient integration in the world economy through an appropriate price system. Currency reserves are only the initial impulse that can help reestablish the system of prices and start up the process of making the production efficient. In the absence of such currency reserves, the

transition to convertibility will be more painfully felt by the national economy and the people. Anyway, convertibility is indispensable for a market economy, and thus for Romania.

[Sasu] Do we at present have foreign loans?

[Isarescu] No. We have not obtained any foreign financial loan. We are in the midst of negotiating a stand-by [last two words in English] agreement with the IMF which, once the agreement is signed, will open a number of financial lines [of credit] for us from the Fund, and will on the other hand contribute to unblocking the attitude of Western banks toward Romania. The rule on the capital markets is that a country has credibility when it has an agreement with the Fund. On the other hand, we have received a number of commercial credits, most of them short-term, from various governments. But those are not cash loans.

[Sasu] The dollar keeps rising on the black market. Soon it will reach 200 lei. Why does the bank rate stay at 35 lei?

[Isarescu] A realistic rate of exchange is a must for achieving convertibility. The problem is that we don't know what a realistic rate is. And because of our internal price system, which is completely distorted, we cannot calculate it. In 1989 I calculated an average exchange rate of 35-50 lei for the dollar. But the average rate resulted from hundreds and thousands of ratios between domestic and foreign prices which go from one leu equal to one dollar (in the case of hotel tariffs), 10-20 lei the dollar for certain investments, to over 100 lei for electronics. In view of this wide spectrum of situations, as any economist knows, the average has no economic meaning, it is only an arithmetic mean. In conditions of price liberalization 35 lei for one dollar is too low a rate while the black market rate is too high. The truth lies probably somewhere in the middle. It can only be established on an official currency market that we are only now beginning to organize. We have maintained the 35 lei rate in order to permit certain vital imports for the economy and the consumers and in order to avoid a domestic inflationary explosion brought about by a depreciation of the lei abroad. If we had imported crude oil for over 100 lei for the dollar, which is the black market rate, the price of gasoline and other energy resources would have gone up several times over and that would have had serious social consequences, including a chain reaction whereby the price of all the products would have gone up. Thus, we will maintain a low official rate of exchange for imports. In the meantime we will organize a currency market through which to exchange lei and other currencies. We will thus be able to find out the realistic value of the lei, and later we will gradually channel the official rate toward the market rate.

## BULGARIA

## Ethnic Conflicts in Plovdiv Discussed

91BA0263A Sofia ANTENI in Bulgarian 16 Jan 91 p 5

[Article by Ivan Milenkov of the Sigla News Agency:  
"Tiptoeing Through the 'Turf'"]

[Text] Displaying a black sense of humor, it was probably someone in a high position in Plovdiv who renamed the Stolipinovo Gypsy district "Izgrev" [Sunrise]. What kind of sun was expected to rise there remains unclear; for decades, that real ghetto has been getting increasingly dark. There have always been major or minor ethnic conflicts breaking out there with "settled" Bulgarians. Until recently, however, they had been successfully concealed from the public at large. Now, however, we have been hit with the clear fact that the Gypsies continue to live mostly in hovels, amidst incredible filth and a lack of the basic amenities. They glide down alleys that pass for streets, amidst mysterious ruins. The number of stores there is extremely small. Scandals and beatings break out daily, and shouts can be heard day and night. The militia is a frequent guest of that unruly party of the city.

For the sake of fairness, let us note that, over the past 10 to 15 years, the municipal authorities have been able to improve somewhat the amenities in the district. A vast complex of residential blocks was built, along with several schools and kindergartens, an open movie theater, a restaurant, and stores. Several urban transportation lines were opened that crossed that "hell." Adding to that the fact that, during the so-called totalitarian times, the "repressive apparatus" or, in simple terms, the militia was heavy-handed there, it will become clear why it is only for the past five or six months that people have started showing concern about the "turf."

We are not making "racial" hints in this case. Everyone knows that the population of Izgrev includes wonderful musicians and singers, excellent workers, and masters of their crafts. However, starting with the now almost one-year-old democratization of our lives, all of a sudden a total collapse seems to have occurred there.

Beginning with the time of the electoral campaign, some of the "freedom-loving" Gypsies began to talk themselves into believing that a time of powerlessness was coming (which, unfortunately, was virtually the case), and undertook to establish their own model of self-government, including an economic system involving coercion, beatings, and violence, and administering their own "justice." Two master sergeants of the Fourth Municipal Department of the MVR [Ministry of Internal Affairs], who patrolled that area, have testified as follows:

"Initially, people cursed and threatened us," recalls Nikolay Arsenov. "They yelled 'dirty cops, you lost your power,' and so forth. Later, those turned into brutal acts...."

"Repeatedly, the glass of the patrol cars was broken," added Valentin Yordanov. "At one point, the subprecinct in the district was 'fired upon' with a hail of stones because it had detained a few of their members, who had grossly disturbed the public order. At this point, honestly speaking, we feel like extras. We keep telling ourselves that the Grand National Assembly should eventually pass the law on the militia (the police)...."

These bitter words are merely the tip of the iceberg.

The Bulgarian population, which numbers 33,000 (the district has a population of 55,000), submitted firm demands to the municipal authorities relative to the defense of its rights. It began with the gathering of signatures, under the old municipal administration, after which a few families went on hunger strikes. That was followed by an open-ended strike in relays by 32 Bulgarian families in the 4,000th block, which insisted on being resettled away from that explosive area. Many of them submitted specific suggestions as to how to "get out" of the district—taking over apartments now occupied by Vietnamese citizens, rotating housing, and so forth.

By the time that material went to press, more than 35,000 signatures of people demanding to be resettled away from Izgrev had been collected from blocks 4,000, 4,014, and 4,015A. Every day, hundreds of new citizens of Plovdiv are supporting them. Is that possible?

The last word must be that of the municipal management, headed by the new mayor, Mr. Somlev. The administration held a roundtable with representatives of the municipality, those demanding to be resettled, and the Gypsies. However, the result was zero! The municipal authorities, it appears, are following the example of the deputies and intend to express their views after a few months' delay.

Today, however, the situation in that poetically named district remains "unclear." According to some, it is "on the brink." Others say it is "calm" and that life goes on as before. Here is the way Colonel Ivan Georgiev, for many years head of the Fourth Municipal Administration of the MVR, views it, according to his records:

"The 22,000 Gypsies living in the Izgrev residential district include 153 registered minor and juvenile delinquents and 843 adult delinquents. By the end of 1990, 780 offenses of a general nature had been registered in the district, 72 percent of which were criminal."

It was made clear that the difficult situation at the Izgrev residential district, in terms of violations of public order, is as follows: violations of Regulations Nos. 1 and 2 of the municipal people's council, unemployment, regular use of alcohol in public establishments and in the streets, gambling, fights, disturbances of the quiet at night, attacks with explosives (!), the damaging of urban transportation facilities, assaults and the robbing of children commuting to school (accompanied by beatings), attacks on cars and trade establishments.... But let us not go on!

All of the efforts made by the municipal people's council and the Seventh Mayoralty to improve the social climate in the district have been nothing but quixotic initiatives, despite the 12 meetings that were held with the political leaders of the SDS [Union of Democratic Forces], the BSP [Bulgarian Socialist Party], and the Edinstvo Cultural and Educational Society. Other meetings have been held with the leadership of the Regional Directorate of Internal Affairs. According to Major Yamakov, chief of the Protection Department of the Regional Directorate of Internal Affairs, the first condition for bringing order would be the setting up of a permanent commission of

the municipal people's council on problems of crime and public order, strengthening the militia force in the district, organizing protection groups, and taking a number of steps that would encourage an overall improvement of relations in Izgrev.

In the final account, the municipal authorities will have to put their hands in the "fire" sooner or later. The bad thing is that, should they choose the "slow method," they risk becoming coauthors of an unimaginable ethnic conflict!



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